



---

**ANGEL SEAFOOD HOLDINGS LTD**  
**ABN 38 615 035 366**

---

**Tax Exempt Employee Share Plan  
Rules**

# Table of Contents

1.	Definitions and interpretation.....	1
2.	Commencement of Plan .....	3
3.	Operation of the Plan.....	3
4.	Participation by Qualifying Employees.....	4
5.	Limit on transfer or encumbrance.....	4
6.	Rights attaching to Shares .....	5
7.	Trust.....	6
8.	Administration of the Plan .....	6
9.	No Employment Contract.....	7
10.	Amendment of these Rules.....	7
11.	Expenses .....	8
12.	ASIC Relief .....	8
13.	Notices.....	8
14.	Termination, Suspension or Reinstatement of the Plan.....	8
15.	Governing Law.....	8
16.	Contravention of Laws .....	8

## **Employee Share Plan Rules** dated 29 November 2018

These Rules set out the rules which govern the Angel Seafood Holdings Limited Tax Exempt Employee Share Plan

### **It is agreed**

---

#### **1. Definitions and interpretation**

##### **1.1 Definitions**

In these Rules, the following words and expressions have the meanings indicated unless the contrary intention appears:

**Acquisition Date** means in respect of Shares subscribed for by a Participant pursuant to the Plan, the date on which such Shares are registered in the name of the Participant, or where the Shares are acquired by the Participant other than by way of subscription on such other date as is determined by the Board, in order to ensure the Exemption Conditions are satisfied;

**Acquisition Price** means the issue price or purchase price of shares offered for subscription or purchase, as the case may be;

**Applicable Law** means any one or more or all, as the context requires of:

- (a) the Corporations Act and its applicable regulations;
- (b) the Listing Rules (as applicable);
- (c) the Constitution;
- (d) the ITAA;
- (e) any practice note, policy statement, regulatory guide, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b), (c), and (d); and
- (f) any other legal requirement that applies to the Plan.

**Application** means an application by a Qualifying Employee to participate in the Plan made in response to an Invitation Letter.

**ASIC** means the Australian Securities and Investments Commission;

**Bonus Share** means a Share issued as part of a pro rata bonus issue to shareholders of the Company

**Board** means all or some of the Directors acting as a board or a committee of the Board appointed for functions which are determined to include the purposes of this Plan;

**Company** means Angel Seafood Holdings Limited ABN 38 615 035 366;

**Constitution** means the constitution of the Company as amended from time to time.

**Corporations Act** means the *Corporations Act 2001* (Cth);

**Director** means a director of the Company;

**Dividends** means any dividends paid by the Company

**Employee** means any full-time, part-time or casual employee of any member of the Group

**Exemption Conditions** means the exemption conditions set out in section 83A-35 of the ITAA 1997

**Group** means the Company and its Related Bodies Corporate.

**Holding Lock** means a mechanism arranged or approved by the Board and administered by the Company (including through the Company's share registry) that prevents Shares being disposed of or dealt with by a Participant during the Holding Lock Period.

**Holding Lock Period** means, in relation to any particular Shares acquired by a Participant under the Plan, the period from the Acquisition Date until the earlier of:

- (g) the date three years after the relevant Acquisition Date of the Shares or such date as may be determined by the Board in its discretion so as to satisfy the Exemption Conditions; or
- (h) the day after the date on which a Participant ceases to be an Employee. For the avoidance of doubt, a Participant who has been granted an approved leave of absence and who exercises the right to return to work, under any applicable award, enterprise agreement, other agreement, statute or regulation, will not be treated as having ceased to be employed by a member of the Group.

**Invitation** means an invitation to subscribe for Shares made to a Qualifying Employee under clause 4.1;

**ITAA** means the *Income Tax Assessment Act 1936* and the *Income Tax Assessment Act 1997*;

**Listing Rules** means the official listing rules of the ASX as amended from time to time.

**Participant** means a Qualifying Employee who acquires Shares pursuant to the Plan;

**Plan** means the **Angel Seafood Holdings Limited Tax Exempt Employee Share Plan** as established in accordance with these Rules;

**Qualifying Employee** means, an Employee or category of Employees declared by the Board in its sole and absolute discretion to be eligible to receive grants of Shares under the Plan.

**Related Body Corporate** has the meaning given in section 9 of the Corporations Act.

**Rights** means any rights affecting a Share entitling the holder of the Share to acquire additional shares in the Company.

**Rules** means these Rules in respect of the operation of the Plan, as set out in this document, and as amended from time to time;

**Security Interest** means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature.

**Shares** mean ordinary shares in the capital of the Company.

## 1.2 Interpretation

In these Rules unless the contrary intention appears:

- (a) headings are for convenience only and do not affect interpretation and unless the context indicates a contrary intention;
- (b) the expression "person" includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (c) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (d) a reference to any document (including these Rules) is to that document as varied, novated, ratified or replaced from time to time;
- (e) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;
- (f) words importing the singular include the plural (and vice versa), and words indicating a gender include every other gender;
- (g) references to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of these Rules, and a reference to these Rules, includes any schedule, exhibit or annexure to these Rules;
- (h) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (i) the word "includes" in any form is not a word of limitation;
- (j) a reference to "\$" or "dollar" is to Australian currency; and
- (k) nothing in these Rules is intended to create a mortgage or other security over Shares.

### **1.3 Applicable Legislation**

These Rules, the acquisition of any Shares and the rights attaching to the Shares are subject to any Applicable Law and any applicable orders, exemptions or approvals granted pursuant to legislation from time to time.

---

## **2. Commencement of Plan**

The Plan will commence on the date determined by the Board.

---

## **3. Operation of the Plan**

### **3.1 Exemption Conditions**

The Plan will be operated so that Shares acquired by Qualifying Employees under the Plan satisfy the Exemption Conditions in order to permit the application of section 83A-35 of the ITAA 1997.

### **3.2 Non-discriminatory basis.**

Without limiting the operation of clause 3.1, the Plan will be operated on a non-discriminatory basis within the meaning of that expression in section 83A-35(6) of the ITAA 1997

---

## **4. Participation by Qualifying Employees**

### **4.1 Board may determine Participation**

Subject to clause 3.1, the Board may identify Qualifying Employees to whom Invitations to participate in the Plan may be made.

### **4.2 Invitations**

- (a) Following determination that Qualifying Employees may participate in the Plan, the Board may from time to time make Invitations to Qualifying Employees to acquire Shares under the Plan.
- (b) The Invitation will be in such form and contain such content as the Board determines, but will in each case specify the consideration payable (if any) in respect of the Shares and the number and/or value of Shares which are the subject of the Invitation.

### **4.3 Acquisition Price**

The Board will determine the Acquisition Price (if any) of Shares to be paid by Participants under the Plan. The Acquisition Price (if any) of Shares under the Plan will be specified in each Invitation.

### **4.4 Application**

Unless otherwise determined by the Board, a Qualifying Employee who wishes to apply to participate in the Plan in response to an Invitation must on or before the time allowed for acceptance of the Invitation give an Application:

- (a) to the person specified in the Invitation; and
- (b) in accordance with any instruction or conditions set out in the invitation.

---

## **5. Limit on transfer or encumbrance**

### **5.1 Holding Lock**

A Holding Lock will be applied to each tranche of Shares held by a Participant under the Plan for the duration of the Holding Lock Period applicable to the relevant Shares.

### **5.2 No transfer or encumbrance**

During the Holding Lock Period applicable to any tranche of Shares, the Shares may not be transferred and a Participant must not grant (or purport to grant) any Security Interest in or over or otherwise dispose of or deal with (or purport to otherwise dispose or deal with) that tranche of Shares held by the Participant or any interest in that tranche of Shares so held.

### **5.3 Disposal restrictions**

Each Participant:

- (a) agrees that the Shares held by the Participant will be subject to a Holding Lock for the Holding Lock Period applicable to the relevant tranche of Shares; and

- (b) undertakes not to request the removal of the Holding Lock (or permit or authorise another person to do so) other than in accordance with these Rules.

#### **5.4 Other restrictions**

The Board may in its discretion take such action as it considers necessary to enforce the restrictions contained in these Rules.

#### **5.5 Quotation of Shares**

Upon release of Shares which were issued by the Company to a Participant from the Holding Lock, if at that time the Company is listed on the ASX, the Company will have those Shares quoted on the ASX.

#### **5.6 Disposal subject to Applicable Laws**

The disposal of Shares is subject to any disposal restriction required by Applicable Laws.

---

### **6. Rights attaching to Shares**

#### **6.1 Shares rank equally**

Subject to clause 9, any Shares allotted, issued or transferred to a Participant under the Plan will rank equally with all existing Shares on and from the date of issue in respect of all Rights issues, Bonus Share issues and Dividends which have a second date for determining entitlements on or after the date of allotment, issue, or transfer of those Shares.

#### **6.2 Dividends**

A Participant is entitled to all Dividends declared or paid on the Shares held by the Participant, irrespective of whether a Holding Lock continues to apply to the Shares.

#### **6.3 Rights**

A Participant is entitled to any Rights which accrue to Shares held by the Participant and may sell those Rights or accept the Rights and subscribe for the underlying securities or in accordance with the terms of their offer.

#### **6.4 Voting**

A Participant may exercise any voting rights attaching to Shares, or may appoint a proxy to represent and vote for him or her, at any meeting of the members of the Company, irrespective of whether a Holding Lock continues to apply to the Shares.

#### **6.5 Eligibility**

The Board may, in its absolute discretion, determine the criteria to apply for participation in the Plan, including without limitation, a minimum period of service with the Company.

#### **6.6 Restriction on Participation**

- (a) The Board may determine at any time that a Qualifying Employee may not participate in the Plan in relation to a particular financial year or at all (as the case may be).

- (b) Without limiting clause 3.2(a), the Board must not invite a Qualifying Employee to participate under the Plan unless:
  - (i) Chapter 6D of the *Corporations Act* does not apply to the invitation;
  - (ii) the invitation does not need disclosure to investors because of section 708 of the *Corporations Act*;
  - (iii) an exemption from Parts 6D.2 and 6D.3 of the *Corporations Act* applies to the invitation and all conditions and requirements of that exemption are satisfied; or
  - (iv) the invitation complies with Parts 6D.2 and 6D.3 of the *Corporations Act*.

---

## **7. Trust**

The Board may determine that Shares to be acquired under the Plan should be held in the name of a trustee on trust for the benefit of Participants. If the Board so determines:

- (a) it may appoint, remove and replace the trustee;
- (b) it may determine the terms and conditions of the trust, which may be on any terms and conditions that are not inconsistent with these rules; and
- (c) rather than Shares being acquired by a Participant under clause 4, the Board may, where the requirements of clause 4 are met (and continue to be met):
  - (i) procure that the trustee of the trust allocates the Shares to the Participant, and holds the Shares for the benefit of the Participant on the terms and conditions of the trust, until the Shares are delivered to the Participant; and
  - (ii) procure the delivery of the Share to the Participant at the Board's discretion.

---

## **8. Administration of the Plan**

- 8.1 The Plan will be administered by the Board in accordance with these Rules. The Board may make clauses and regulations for the operation of the Plan which are consistent with these Rules.
- 8.2 Any power or discretion which is conferred on the Board by these Rules may be exercised by the Board in its absolute discretion and in the interests or for the benefit of the Company, and the Board is not, in exercising any such power or discretion, under any fiduciary or other obligation to any other person. The Board may exercise its powers and discretions under these Rules for the benefit of a particular Participant or group of Participants to the exclusion of other Participants or groups of Participants.
- 8.3 Any power or discretion which is conferred on the Board by these Rules may be delegated by the Board for such period and upon such conditions as the Board may determine to:
  - (a) a committee consisting of such Directors as the Board determines; or
  - (b) any one or more persons selected by the Board.
- 8.4 Every exercise of discretion by the Board (or its delegate) and every decision of the Board as to the interpretation, effect or application of these Rules is final, conclusive, and binding.



---

## **9. No Employment Contract**

Nothing in these Rules:

- (a) confers on a Qualifying Employee the right to receive any Shares;
- (b) confers on a Participant the right to continue as an employee or consultant of the Company or changes the relationship of the Participant and the Company;
- (c) affects any rights which the Company may have to terminate the consultancy of any consultant or the employment of any employee;
- (d) affects the rights and obligations of any Participant or a Qualifying Employee under the terms of their office, consultancy or employment with the Company;
- (e) confers any legal or equitable right on a Participant or a Qualifying Employee whatsoever to take action against the Company in respect of their office, consultancy or employment; or
- (f) confers on a Participant or a Qualifying Employee any rights to compensation or damages in consequence of the termination of their consultancy or employment by the Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination.

---

## **10. Amendment of these Rules**

### **10.1 Amendments**

- (a) Subject to clause 10.2, the Company may at any time, by written instrument or by resolution of the Board, amend all or any of the provisions of these Rules.
- (b) The Board may determine that any amendment to these Rules or the terms of Shares granted under the Plan be given retrospective effect.
- (c) Amendment of these Rules or the terms and conditions upon which Shares are granted under the Plan by the Board will be of immediate effect unless otherwise determined by them.
- (d) As soon as reasonably practicable after making any amendment to these Rules or the terms and conditions of Shares granted under the Plan, the Board will give notice of the amendment to any Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

### **10.2 No reduction of rights**

No amendment of the provisions of these Rules is to reduce the rights of any Participant in respect of Shares acquired under the Plan prior to the date of the amendment, other than:

- (a) an amendment introduced primarily:
  - (i) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legislation governing or regulating the maintenance or operation of the Plan or like plans;
  - (ii) to correct any manifest error or mistake; or

- (iii) to enable the Company to comply with the Corporations Act, any other Australian laws, applicable foreign laws, or a requirement, policy or practice of ASIC or other foreign or Australian regulatory body,
- (b) an amendment agreed in writing by a Participant.

---

## **11. Expenses**

Unless otherwise determined by the Board at its absolute discretion, the Company is responsible for any duties, transactional taxes, brokerage or incidental expenses which may become payable in connection with the issue and allotment of Shares or any other dealing with the Shares in accordance with this Plan.

---

## **12. ASIC Relief**

Notwithstanding any other provisions of the Plan, every covenant or other provision set out in an exemption or modification granted from time to time by ASIC in respect of the Plan or which applies to the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan. To the extent that any covenant or other provision deemed by this clause to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision will prevail.

---

## **13. Notices**

Any notice to Participants may be given in such manner as the Board determines.

---

## **14. Termination, Suspension or Reinstatement of the Plan**

- 14.1 The Board may resolve at any time to terminate, suspend or reinstate the operation of the Plan.
- 14.2 If the Plan is suspended or terminated, the Company will buy-back the Shares then held by Participants, unless the Company is not in a position to buy-back the Shares, in which case the Board will decide how Shares then held by or on behalf of Participants under the Plan are to be dealt with.

---

## **15. Governing Law**

This Plan is governed by and shall be construed and take effect in accordance with the laws of South Australia.

---

## **16. Contravention of Laws**

No act may be done or determination made in accordance with these Rules where to do so would be a breach of any Applicable Laws or the Constitution of the Company and where any such act is done or determination made it will be considered void and, to the extent possible, be unwound.