

SBI Card
Employee Stock Option Plan 2019

SCHEME DOCUMENT

SBICPSL Employee Stock Option Plan 2019

1	NAME OF THE PLAN	3
2	PURPOSES OF THE PLAN	3
3	DEFINITIONS	3
4	ELIGIBILITY	7
5	ADMINISTRATION OF THIS PLAN	7
6	SHARE POOL	8
7	GRANT OF OPTIONS	9
8	METHOD OF ACCEPTANCE	9
9	VESTING OF OPTIONS	10
10	EXERCISE PRICE	11
11	EXERCISE OF OPTIONS/ ALLOTMENT OF SHARES	11
12	TERMINATION OF EMPLOYMENT	13
13	NOTICES AND CORRESPONDENCE	15
14	BENEFICIARY DESIGNATION	15
15	NON-TRANSFERABILITY OF OPTIONS	16
16	CORPORATE ACTIONS	16
17	WITHHOLDING TAX OR ANY OTHER SUMS	16
18	ARBITRATION	17
19	TENURE	17
20	GOVERNING LAW	17
21	REGULATORY APPROVALS	17
22	MODIFICATION OF PLAN	18
23	MISCELLANEOUS PROVISIONS	18
24	SEVERABILITY	19
25	CONFIDENTIALITY	20

1 Name of the Plan

This Plan shall be termed as SBI Card Employee Stock Option Plan 2019 (**Plan**)¹. The Plan has been approved by a special resolution² passed on 22nd February 2019 at the General Meeting of the Shareholders. The Plan shall be effective from 22nd February 2019 herein after referred to as the “Effective Date”.

This document sets out the terms and conditions of the Plan.

2 Purposes of the Plan

SBI Cards And Payment Services Private Limited (“**SBI Card**”), a company incorporated under the Companies Act, 2013 and having its registered office at Unit 401 & 402,4th Floor, Aggarwal Millennium Tower E 1,2,3, Netaji Subhash Place, Wazirpur New Delhi-110034 , has structured this Plan for its Employees. The purpose of this Plan is as under:

- a) Reward employees to align individual performance with Company objectives and drive Shareholders’ value creation
- b) Create a culture of ownership among the executives and employees to enhance their commitment to organization
- c) Motivate management to collaborate and work towards successful initial public offering
- d) Attract and retain key talent, critical to organization’s success

3 Definitions

In this Plan, except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against.

- 3.1 “Accrued Options” shall mean such Unvested Options that become due for Vesting upon completion of the period stipulated in Clause 8.5 of the Plan.
- 3.2 “Administrator” shall mean the Nomination and Remuneration Committee of the Board that administers the Plan either through itself or through a trust that is set up for this purpose.
- 3.3 “Applicable Amount” shall mean the aggregate Exercise Price, applicable taxes and any other sums due to the Company by the Participant as per Clause 10 and Clause 17 of the Plan in respect of Exercise of the options.
- 3.4 “Applicable Laws” shall mean laws of India relating to stock options, including, without limitation to, the Companies Act, 1956, the Companies Act, 2013 and rules/ circulars notified/ to be notified by the Central Government from time to time, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, Securities and Exchange Board of India Circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 and all relevant revenue, tax, securities or exchange control regulations or corporate laws of India or any relevant jurisdiction. The Applicable Law includes any provision of the applicable laws, rules, regulations, notifications, circular(s) or any other similar form of directives issued by the competent authority under the relevant Applicable Law.
- 3.5 “Beneficiary or Nominee” means the person or persons, designated by the Participant, or in the absence of any designation by the Participant, a person or persons who is/ are entitled by the will or probate of the Participant to receive the benefits specified in the Plan, the legal heirs of the Participant, if the Participant dies intestate and includes the Participant's executors or administrator, if no other beneficiary is designated and able to act under the circumstances and

¹ To comply with Clause 2(1)(g) of the SEBI Regulations

² To comply with Clause 6(1) of the SEBI Regulations

such other persons as may be added from time to time to the class of beneficiaries by notice in writing and by the nomination form in the exercise of any powers conferred under the Plan or any other agreements forming part thereof.

- 3.6 “Board”³ means the Board of Directors of the Company.
- 3.7 “Cause” means negligence, fraud, professional misconduct, moral turpitude etc. or any other such behavior as per Company’s policy.
- 3.8 “Company”⁴ shall mean SBI Card, a company incorporated and registered under the Companies Act, 2013 having its registered office at Unit 401 & 402, 4th Floor, Aggarwal Millennium Tower E 1,2,3, Netaji Subhash Place, Wazirpur New Delhi-110034.
- 3.9 “Control”⁵ shall have the same meaning as defined under the SEBI Regulations (Substantial Acquisition of Shares and Takeovers), 2011.
- 3.10 “Corporate Action” shall have the same meaning as understood under the SEBI Regulations.
- 3.11 “Director”⁶ means a member of the Board of the Company.
- 3.12 “Eligible Employee”⁷ for the purpose of this Plan means the identified Employee(s) as per Clause 4 below.
- 3.13 “Employee”⁸ means (a) a permanent employee of the Company working in India or out of India; or (b) a Director of the Company, whether a whole time Director or otherwise (but excluding an independent Director); or (c) an employee as defined in sub-Clause (a) and (b) above of a subsidiary of the Company, in India or outside India or of a Holding Company of the Company, but does not include:
- (i) an employee who is a Promoter or a person belonging to the Promoter Group; or
 - (ii) a Director who either himself or through his Relative or through anybody corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.
- 3.14 “Exercise”⁹ means making of an application/ request by the Participant/ Beneficiary to the Company for issue/ allotment of Shares against Vested Options to him/ her under the Plan, upon payment of Applicable Amount.
- 3.15 “Exercise Date” means the date on which the Participant exercises his/ her right to apply for Shares against the Vested Options and in case of partial exercise, shall mean each date on which the Participant/ Beneficiary exercises his/ her right to apply for part of his/ her Vested Options.
- 3.16 “Exercise Period”¹⁰ means the time period after Vesting within which the Participant should exercise his/ her right to apply for Shares against the Vested Options in pursuance of Clause 11 of the Plan.
- 3.17 “Exercise Price”¹¹ means the price, if any, payable by the Participant for exercising the Options granted under the Plan. Exercise Price is decided by the Administrator at the time of Grant of options.

³ To comply with Section 2(10) of The Companies Act, 2013

⁴ To comply with Section 2(20) of The Companies Act, 2013

⁵ To comply with Clause 2(1)(d) of the SEBI Regulations

⁶ To comply with Section 2(34) of The Companies Act, 2013

⁷ To comply with Clause 4 of the SEBI Regulations

⁸ To comply with Clause 2(1)(f) of the SEBI Regulations

⁹ To comply with Clause 2(1)(i) of the SEBI Regulations

¹⁰ To comply with Clause 2(1)(j) of the SEBI Regulations

¹¹ To comply with Clause 2(1)(k) of the SEBI Regulations

- 3.18 “General Meeting” means a general meeting (including an extraordinary general meeting) of the Shareholders of the Company held in accordance with the Articles of Association of the Company and the Applicable Laws.
- 3.19 “Grant”¹² means the process by which the Company issues options to Grantee under the Plan.
- 3.20 “Grant Date”¹³ means the effective date of the Grant as approved by the Committee.
- 3.21 “Grant Letter” means the letter issued to the Participant either in physical or electronic form evidencing the Options Grant and containing the details of the Grant of Options.
- 3.22 “Grantee” means an Eligible Employee pursuant to Clause 4 below, to whom an offer of Grant is made by the Administrator as per the terms and conditions of the Plan, who at the time of Grant of options is eligible to participate under the Plan.
- 3.23 “Grant Acceptance Period” means the period of 30 days from the date of issuance of the Grant Letter to the Grantee within which the offer of options granted by the Company to a Grantee can be accepted, or any period as determined by the Administrator. In case the last date is a non-working day, then it shall be the immediately following working day.
- 3.24 “Holding Company” means a Company defined under Section 2(46) of the Companies Act, 2013.
- 3.25 “Independent Director”¹⁴ shall have the same meaning as defined under Section 2(47) of the Companies Act, 2013 and Clause 49 of the equity Listing Agreement.
- 3.26 “Nomination and Remuneration Committee”¹⁵ or “Committee” means a committee as created by the Board for administration and superintendence of the Plan and consists of such members of Board as provided under Section 178 of Companies Act, 2013.
- 3.27 “Option”¹⁶ or “Stock Option” means the option granted to an Employee, which gives the Participant a right but not an obligation, to purchase or subscribe at a future date, the Shares offered by the Company, directly or indirectly, at a pre-determined Exercise Price, subject to the requirements of Vesting in accordance with the Plan.
- 3.28 “Participant” means a Grantee who accepts the Grant from the Company to participate in this Plan pursuant to Clause 8 below.
- 3.29 “Plan”¹⁷ shall mean the SBI Card Employee Stock Option Plan 2019 under which the Company grants the options to the Grantees, and shall include any alterations, amendments, additions, deletions, modifications, addendums or variations thereof from time to time.
- 3.30 “Promoter”¹⁸ shall have the same meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- 3.31 “Promoter Group”¹⁹ shall have the same meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018:

Provided where the Promoter or Promoter Group of the Company is a body corporate, the promoters of that body corporate shall also be deemed to be Promoters of such Company.

¹² To comply with Clause 2(1)(m) of the SEBI Regulations

¹³ To comply with Clause 2(1)(n) of the SEBI Regulations

¹⁴ To comply with Clause 2(1)(p) of the SEBI Regulations

¹⁵ To comply with Clause 5(1) & 5(2) of the SEBI Regulations

¹⁶ To comply with Clause 2(1)(s) of the SEBI Regulations and Section 2(37) of The Companies Act, 2013

¹⁷ To comply with Clause 2(1)(g) of the SEBI Regulations

¹⁸ To comply with Clause 2(1)(u) of the SEBI Regulations

¹⁹ To comply with Clause 2(1)(v) of the SEBI Regulations

- 3.32 “Relative”²⁰ shall have the same meaning as defined under section 2(77) of the Companies Act, 2013.
- 3.33 “Scheme” means the Scheme of amalgamation between SBI Business Process Management Services Private Limited and SBI Cards And Payment Services Private Limited.
- 3.34 “SEBI Regulations” means the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 issued by the Securities and Exchange Board of India (“SEBI”) under the SEBI Act, 1992 and shall include any alterations, amendments, additions, deletions, modifications or variations thereof from time to time²¹.
- 3.35 “Share”²² means an equity share of the Company of Face Value of INR 10 each and securities convertible into equity shares and shall include American Depository Receipts (“ADRs”), Global Depository Receipts (“GDRs”) or other depository receipts representing underlying equity shares or securities convertible into equity shares of the Company.
- 3.36 “Shareholder” means the registered holder of a Share in the share capital of the Company.
- 3.37 “Subsidiary Company” shall have the same meaning as defined under Section 2(87) of the Companies Act, 2013.
- 3.38 “Termination Date” means the date of termination of employment of the Participant with the Company.
- 3.39 “Unvested Option” means an Option, which is not a Vested Option (whether accrued or not).
- 3.40 “Vesting”²³ means the process by which the Participant becomes entitled to receive the benefit of a Grant made to the Participant under the Plan in accordance with the terms of the Plan.
- 3.41 “Vested Option” means an option, which has vested in pursuance of Clause 9 below with the Participant and has thereby become exercisable in accordance with the terms of the Plan.
- 3.42 “Vesting Date” means the date on and from which the Option vests with the Participant and has thereby become exercisable under the Plan in accordance with the terms thereof.
- 3.43 “Vesting Period”²⁴ means the period during which the Vesting of the Stock Option granted to the Grantee, in accordance with the Plan takes place.
- 3.44 “Construction”
- a) Any term not defined shall have the meaning ascribed to it under Applicable Law.
 - b) Clause reference is to the clauses of this Plan.
 - c) The headings/subheadings/titles/subtitles are only for the sake of convenience and shall not be interpreted to restrict or otherwise affect the meaning or import of the clauses, which shall be interpreted solely in light of the contents thereof.
 - d) Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
 - e) Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form.
 - f) The term 'including' shall mean 'including without limitation', unless otherwise specified.

²⁰ To comply with Clause 2(1)(w) of the SEBI Regulations

²¹ Refer to Clause 1(1) of the SEBI Regulations

²² To comply with Clauses 2(1)(zd) of the SEBI Regulations

²³ To comply with Clause 2(1)(zi) of the SEBI Regulations

²⁴ To comply with Clause 2(1)(zj) of the SEBI Regulations

- g) Reference to any Act, Rules, Statute or Notification shall include any statutory modification, substitution or re-enactment thereof.
- h) Unless the context otherwise requires, words denoting the masculine gender shall include the feminine gender and words denoting singularity shall include the plural and vice versa.

4 Eligibility

- 4.1 The persons eligible to participate in the Plan are as follows, subject to exclusions as defined in section 4.2:
 - a) Permanent Employees of the Company working in India or out of India; or
 - b) Director of the Company, whether a whole time Director or otherwise (but excluding an Independent Director).
- 4.2 Below employees shall not be eligible to participate in the Plan:
 - a) Promoter; or
 - b) Person belonging to the Promoter Group; or
 - c) An Independent Director; or
 - d) A Director, who either by himself or through his Relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.
- 4.3 Based on the eligibility criteria as described in Clause 4 above and recommendations of the MD & CEO of the Company, the Committee will decide which of the Eligible Employees should be granted Options under the Plan and accordingly, the Committee would offer the Options to the identified Employees under the Plan to the extent permissible by Applicable Laws.

5 Administration of this Plan²⁵

- 5.1 This Plan shall be administered by the Nomination and Remuneration Committee of the Board working under the powers delegated by the Board. The Administrator is authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Plan. The Administrator may correct any defect, omission or reconcile any inconsistency in the Plan in the manner and to the extent the Administrator deems necessary or desirable and to resolve any difficulty in relation to implementation of the Plan and take any action which the Board is entitled to take.
- 5.2 Subject to the Articles of Association of the Company, the acts of a majority of the members of the Committee present at any meeting (at which the quorum is present) or acts approved in writing by a majority of the entire Committee shall be the acts of the Committee for the purpose of the Plan. No member of the Committee may act upon matters under the Plan specifically relating to such member. Any decision of the Committee in the interpretation and administration of this Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Employee, Grantee, Participant and their beneficiaries and successors). The Committee shall not be liable for any action or determination made in good faith with respect to the Plan or any Option granted there under.
- 5.3 the Administrator shall, inter alia, do the following:
 - a) Adopt rules and regulations for implementing the Plan from time to time;

²⁵ To comply with Clause 5(1) of the SEBI Regulations

- b) Select the Eligible Employees to whom Options may be granted under the Plan;
- c) Approve the Grant of Options to the identified Eligible Employees and determine the Grant Date;
- d) Determine the terms and conditions, including quantum of the Options to be granted, Exercise Price, Vesting conditions, Exercise conditions & process, consistent with the terms of the Plan;
- e) Determine the procedure for making a fair and reasonable adjustment to the number of Options and to the Exercise Price in case of Corporate Actions such as rights issues, bonus issues, merger, sale of division and others;
- f) Alter/modify the terms and conditions of Options granted or of subsequent grants, subject to the condition that no fresh issuance of Shares will be made under the plan unless the Shares of the Company are listed on a recognized stock exchange in India, and any Option so granted shall not result in a change in shareholding % of respective Share-holders prior to the shares being listed;
- g) Determine the sale price, mode and manner of sale of Shares by the Participant to the Promoter/ Promoter Group or any other designated person/ entity, in case the Shares are not listed on any recognized stock exchange in India, as required;
- h) Take any other actions and make any other determinations or decisions that it deems necessary or appropriate in connection with the Plan or the administration or interpretation thereof;
- i) Decide all other matters that must be determined in connection with an Option under the Plan;
- j) If and to the extent applicable, frame suitable policy, procedure and system to ensure that there is no violation of securities laws, as amended from time to time, including SEBI (Prohibition of Insider Trading) Regulations, 1992, and SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, by the Company and Participants²⁶;
- k) Administer and reconcile any inconsistency in the Plan; and
- l) Perform such other functions and duties as shall be required under the Applicable Laws.

All the decisions made by the Administrator in the matter referred to above shall be conclusive and binding on all the parties concerned (including, but not limited to, Grantees and/or Participants and their beneficiaries or successors). The Administrator shall be guided by the considerations / recommendations as may be stipulated by the Board and/ or the Shareholders at the time of approval of this Plan.

6 Share Pool

- 6.1 Subject to Clause 6.2 below, the maximum number of Shares that may be issued pursuant to Exercise of Options granted to the Participants under this Plan shall not exceed 3% of the paid-up share capital of the Company as on date when the Scheme becomes effective (“**Share Pool**”). The Share Pool shall comprise of both Performance Based Options (as defined below) and Goodwill Options (as defined below).
- 6.2 Notwithstanding the foregoing provisions of Clause 6.1 and Clause 7 of the Plan, Shares with respect to which an Option is granted under the Plan that remain unexercised at the expiration, forfeiture or other termination of such Option, may be the subject of the Grant of further Options within the overall limits permissible under the Plan. Options that have lapsed (including those having lapsed by way of forfeiture) shall be added back to the number of Options that are pending to be granted. The Company may grant such Options within the overall limits as per Clause 6.1 of the Plan.

²⁶ To comply with Clause 5(4) of the SEBI Regulations

7 Grant of Options

- 7.1 Options may be granted under this Plan at any time and from time to time subject to such conditions as determined by the Administrator and the overall limit prescribed in Clause 6.1 above.
- a) All Options granted by the Administrator in respect of which the Vesting requires fulfilment of specified performance conditions to be met by the Participant will be referred to as “**Performance Based Options**”.
 - b) There will be an additional goodwill grant of Options at any time prior to the date of listing of the Shares of the Company to all Eligible Employees/Participant on the rolls of the Company at such time (“**Goodwill Options**”).
- 7.2 the Administrator will decide the number of Options to be granted to each Eligible Employee and shall be able to grant further Options to the Eligible Employees and Participant subject to the conditions stipulated under the Plan.
- 7.3 The approval of Shareholders by way of separate resolution shall be obtained by the Company in case of:
- a) Grant of Option to Employees of Subsidiary Company or Holding Company; or
 - b) Grant of Option to identified Employees, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant of option.²⁷
- 7.4 Each Vested Option will entitle the Participant to one Share of the Company subject to the terms and conditions set out in the Plan.
- 7.5 The offer of the Options by the Administrator to the Grantee shall be made in writing and communicated to the Grantee by way of a Grant Letter. Such an offer amongst other things, shall state the number of Options granted, the Exercise Price and the Grant Acceptance Period within which the Participant must accept the offer.
- 7.6 An offer made under Clause 7.1 above is personal to the Grantee and cannot be transferred in any manner whatsoever²⁸.

8 Acceptance of Grant and Accrual of Options

- 8.1 Any Grantee who wishes to accept an offer made pursuant to Clause 7 of the Plan must deliver an acceptance form, in the manner prescribed by the Administrator, duly completed as required therein to the Administrator on or before the last/ closing date of accepting the offer stated in the Grant Letter.
- 8.2 Any Grantee who fails to deliver the acceptance form on or before the last/ closing date of accepting the offer shall, be deemed to have rejected the offer. Any acceptance form received after the last/ closing date of accepting the offer shall not be valid.
- 8.3 Upon receipt of a duly completed acceptance form from the Grantee in respect of the offer by the Company, the Grantee will become a Participant.
- 8.4 Subject to the terms contained herein, the acceptance in accordance with this Clause, of an offer made to a Grantee, shall conclude a contract between the Grantee and the Company, pursuant to which each Option shall, on such acceptance, be a granted but Unvested Option.

²⁷ To comply with Clause 6(3)(d) of the SEBI Regulations

²⁸ To comply with Clause 9(1) of the SEBI Regulations

- 8.5 Subject to the Participants continued employment with the Company the Unvested Options (except the Goodwill Options) shall accrue in the following manner:

Upon completion of first anniversary of the Grant Date	10% of the total Options granted will accrue to the Participant
Upon completion of second anniversary of the Grant Date	20% of the total Options granted will accrue to the Participant
Upon completion of third anniversary of the Grant Date	30% of the total Options granted will accrue to the Participant
Upon completion of fourth anniversary of the Grant Date	40% of the total Options granted will accrue to the Participant

9 Vesting of Options

- 9.1 There shall be a minimum period of one year between Grant of Options and Vesting of Options²⁹.
- 9.2 Subject to Participants continued employment with the Company and conditions set out in Clause 9.1, Clause 9.3, Clause 9.5 and Clause 12, and thereafter, except for the Goodwill Options that will vest as per Clause 9.7, all Options granted under this Plan shall vest in the following manner:
- a) the first tranche of the Accrued Options shall vest with the Participants 3 months after the date of listing of the Shares of the Company in the manner specified below, or as determined by the Administrator.
 - (i) 10%, if the listing takes place after 1 year and within 2 years of the Grant Date;
 - (ii) 30%, if the listing takes place after 2 years and within 3 years of the Grant Date;
 - (iii) 60%, if the listing takes place after 3 years and within 4 years of the Grant Date; and
 - (iv) 100% if the listing takes place after 4 years of the Grant Date.
 - b) The remaining tranches of the Unvested Options shall subject to accrual in accordance with Clause 8.5 vest as per following schedule – **20%, 30%, 40%** Vesting at end of each year of continued service from the date of Grant depending on the quantum of the first tranche Vesting. For example, if the first tranche Vesting comprises of 10% Accrued Options, there shall be 3 more tranches of Vesting as follows - the second tranche shall be 20%, third tranche shall be 30% and fourth tranche shall be 40% as per the aforesaid schedule. If the first tranche Vesting comprises of 30% Accrued Options, there shall be 2 more tranches of Vesting as follows - the second tranche shall be 30% and third tranche shall be 40%, and so on.
- 9.3 Upon Vesting in accordance with Clause 9.2 above, the Vested Options shall be exercisable in accordance with the terms and conditions set forth under the Plan. However, it is clarified that, without prejudice to Clause 12.1, 12.2, 12.3 and 12.5, the Vesting of Options shall be contingent upon the Participant being employed with the Company, and the Participant not having a ‘DNME’ (“**Does not meet expectations**”) rating for the appraisal cycle immediately prior to the relevant Vesting Date. If the Participant is not employed with the Company on the relevant Vesting Date for reasons other than a termination as set out in Clause 12.1, 12.2, 12.3 and 12.5 or has a ‘DNME’ rating for the appraisal cycle immediately prior to the relevant Vesting Date, the unvested (whether accrued or not) shall automatically lapse and the contract referred to in Clause 8.4 above shall automatically be terminated without surviving rights/ liabilities for any party. Accrual of the Option is subject to the concerned Employee not having a DNME rating in the last 3 years. The Company reserves the right to forfeit “accrued but not vested options” if the concerned employee

²⁹ To comply with Clause 18(1) of the SEBI Regulations

is rated DNME in any cycle prior to vesting.

- 9.4 Notwithstanding anything mentioned in the Plan and subject to Clause 12 below, Options which are not vested due to the reasons specified in Clause 9.5 below, shall automatically lapse and the contract referred to in Clause 8.4 above shall automatically be terminated without surviving rights/liabilities for any party.
- 9.5 Subject to the SEBI Regulations, and unless the Administrator decides otherwise, no Options shall vest in a Participant, if such Participant carries on or engages in, directly or indirectly, whether through partnership or as a Shareholder, joint venture partner, collaborator, consultant or agent or in any other manner whatsoever, whether for profit or otherwise, any business which competes directly or indirectly with the whole or any part of the business carried on by the Group or any activity related to the business carried on by the Group. Decision of the Administrator / Company in this regard shall be final and conclusive and cannot be called in question by the Participant. For the sake of clarity, the restriction contained in this Clause shall not apply to any investment held as a portfolio by the Participant or any activity/ business carried out by the Participant pursuant to his duties as an Employee or Director of the Company and shall not apply to the nominee of the Participant.
- 9.6 Neither the Participant nor any person entitled to exercise Participant's rights in the event of death of the Participant shall be entitled to claim or receive any dividend and right to vote, or in any manner enjoy the benefits as a Shareholder of the Company in respect of the Options granted/ vested, till such time as the Shares are allotted pursuant to a valid Exercise of the Options in favor of such Participant or such person.
- 9.7 The Goodwill Options shall vest upon completion of 12 months from the Grant Date or 180 days after the date of listing of the Shares of the Company, whichever later, subject to all Eligible Employees/Participant being on the rolls of the Company at such time.

10 Exercise Price

- 10.1 The Exercise Price of the Options (including Goodwill Options) granted to an Eligible Employee/ Participant shall be determined by the Administrator subject to conforming to applicable accounting policies and intimated to an Eligible Employee in the Grant Letter. Provided, however, the Exercise Price shall in no event be less than the face value of the Shares.
- 10.2 The Applicable Amount (aggregate Exercise Price and applicable taxes) shall be payable in full by the Employee upon the Exercise of the Vested Options.

11 Exercise of Options/ Allotment of Shares

- 11.1 Subject to the terms and conditions as determined and set forth under the Plan, the Vested Options shall be exercisable upon successful listing of the Shares of the Company on a recognized stock exchange in India. Except for the Goodwill Options that will be exercised in accordance with Clause 11.5, all Vested Options shall be exercisable within 5 years from the date of Vesting of Options.

Provided further that, not more than 50% of the Vested Options shall be exercisable within 1 year after the listing of the Shares of the Company on a recognized stock exchange in India, except in case of termination of employment due to death or permanent incapacitation of the Participant, attainment of superannuation age or termination by Company without Cause or in the case of Goodwill Options.

- 11.2 Notwithstanding anything contained in Clause 11.1, in the absence of Shares of the Company be-

- ing listed on a recognised stock exchange in India within a period of 5 years from the Grant Date, except as provided under Clauses 12.1 and 12. 2, the Administrator will have the discretion to determine the settlement mechanism with respect to the Vested Options of the Participants.
- 11.3 Subject to Clause 12.1 and 12. 2 below, the Participant alone can Exercise the Vested Options within the Exercise Period as per method prescribed below³⁰. Such Exercise may be of all Vested Options or part of the Vested Options, subject to Clause 11.1 and 11.4 below.
- 11.4 The Vested Options can be exercised either in full or in part for a minimum lot of 200 Shares and/ or balance thereof. No Vested Option shall be exercisable in its fractional form.
- 11.5 Notwithstanding anything contained in Clause 11.1, 11.2, 11.3 and 11.4 above, the Goodwill Options held by an Eligible Employee shall become exercisable immediately upon the Vesting in accordance with Clause 9.7 above and shall be exercisable for a period of 5 years from the Grant Date from the date of such Vesting. The vested Goodwill Options not exercised within the stipulated time shall lapse automatically, unless the Administrator decides otherwise upon receiving a written request from the Beneficiary.
- 11.6 Exercise of the Options shall take place at the time and place designated by the Administrator or the Company and by executing such documents as may be required under the Applicable Laws.
- 11.7 A Vested Option shall be deemed to be validly exercised only when the Administrator or any other person authorized by the Administrator receives written and signed notice of Exercise (Exercise Form, including an in an electronic form) from the Participant/Beneficiary and a confirmation that the Applicable Amount as per Clause 11.8 has been received from the Participant if applicable.
- 11.8 The Applicable Amount shall be payable in full to the Company upon the Exercise of the Vested Options. Payment must be made by one of the following methods, as determined and communicated by the Company:
- a) cheque or demand draft issued in the name of the Company as the Administrator may specify; or
 - b) remittance directly from the Participant's bank to the bank account of the Company (electronic/ wire transfer) as the Administrator may specify; or
 - c) through a cashless exercise procedure pursuant to which the Participant shall authorize the sale of Shares in accordance with procedures established by the Company (whether through a broker or otherwise) and remittance to the Company, out of the sale proceeds available on the settlement date, sufficient funds to cover the aggregate Exercise Price payable for the purchased Shares plus all applicable Taxes; or
 - d) any combination of such methods of payment or any other method acceptable to the Administrator at its sole discretion.
- 11.9 The Administrator shall endeavor to ensure that the process of allotment of Shares to the Participant who has validly exercised his Vested Options is completed within prescribed time under Applicable Law from the time of receiving the Exercise Form by the Administrator. For the purpose of this Plan, upon Exercise of Options in accordance with this Plan, the Company shall issue and allot fresh Shares to the Participants.
- 11.10 Upon completion of a valid Exercise of Options as laid out above, the Administrator shall allot the Shares to the Participant/Beneficiary, or if requested in writing by the Participant, to the Participant/Beneficiary jointly with another person, provided (a) the Administrator finds the Exercise Form complete; and (b) all the conditions of this Plan are complied with.
- 11.11 At the time of allotment of Shares pursuant to a valid Exercise, the Participant will be required to

³⁰ To comply with Clause 9(2) of the SEBI Regulations

sign such papers as may be considered necessary by the Administrator to lawfully execute/enforce various provisions of the Plan.

- 11.12 Only upon allotment of the Shares, the Participants shall become members of the Company. The Shares to be allotted shall rank *pari-passu* in all respects with the outstanding Shares of the Company³¹. The Shares so allotted, will not be subject to any lock-in period from the date of allotment.
- 11.13 Notwithstanding anything else contained in the Plan, if the Participant/ Beneficiary does not Exercise his Vested Options within the time specified in Clause 11 and Clause 12 of the Plan, the Options shall automatically lapse without any surviving right/liability for any party and the contract referred to in Clause 8.4 above shall stand automatically terminated without any liability to the Group.
- 11.14 The Administrator shall not purchase or sell Shares of the Company through any other method that has been prohibited as per the Applicable Laws.

12 Termination of employment

12.1 On death of a Participant³²

In case of death of a Participant while in employment with the Group, all the Options granted to the Participant till such date and lying unvested (whether accrued or not) shall vest in the Beneficiary of the deceased Participant immediately on that day, to the extent required under the SEBI Regulations and Companies (Share Capital and Debentures) Rules, 2014.

If the Company Shares have been listed already, then subject to Clause 11.4 and Clause 11.5 above, all the Vested Options shall be permitted to be exercised in accordance with Clause 11.7 above, within a period of 12 months from the date of death of the Participant.

In case the Company Shares are not listed at the time of death, the Vested Options shall be permitted to be exercised in accordance with Clause 11.7 within 12 months from the date of listing of the Shares.

Any Vested Options not exercised within this aforesaid period shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 8.4 above shall stand automatically terminated without any surviving right/liability for any party.

12.2 On permanent incapacitation of the Participant³³

In case the Participant suffers a total or permanent incapacity while in employment, all the Options granted to him till such date of permanent incapacitation and lying unvested (whether accrued or not), shall vest in him on that day.

If the Company Shares have been listed already, then subject to Clause 11.4 and 11.5 above, all the Vested Options shall be permitted to be exercised in accordance with Clause 11.7 above, within a period of 12 months from the date of permanent incapacitation 1.

In case the Company Shares are not listed at the time of permanent incapacitation, the Vested Options shall be permitted to be exercised in accordance with Clause 11.7 within 12 months from the date of listing of the Shares.

³¹ To comply with Clause 19 of the SEBI Regulations

³² To comply with Clause 9(4) of the SEBI Regulations

³³ To comply with Clause 9(5) of the SEBI Regulations

Any Vested Options not exercised within this aforesaid period shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 8.4 above shall stand automatically terminated without any surviving right/ liability for any party.

12.3 On attainment of superannuation age³⁴

In case the services of the Participant with the Company comes to an end due to the Participant's retirement on attaining the superannuation age after the listing of Shares of the Company on a recognised stock exchange in India, the Options vested before the date of superannuation shall subject to Clauses 11.1, 11.4 and 11.5 above, be permitted to be exercised in accordance with Clause 11.7 above within a period of 12 months from the date of superannuation.

If the superannuation comes into effect before the listing of Shares of the Company on a recognised stock exchange in India, subject to Clauses 11.1, 11.4 and 11.5 above, all accrued but not Vested Options shall be deemed to be vested upon listing of Shares of the Company and accordingly, all Vested Options shall be permitted to be exercised in accordance with Clause 11.7 within 12 months from the date of listing of the Shares.

All unvested and not Accrued Options shall lapse. Any Vested Options not exercised within this aforesaid period shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 8.4 above shall stand automatically terminated without any surviving right/ liability for any party.

12.4 Termination with Cause/Abandonment³⁵

In case the termination of employment of a Participant with the Group is with Cause or in case of abandonment of employment by the Participant, his/her Options (vested as well as unvested (whether accrued or not)) shall automatically lapse on the Termination Date and the contract referred to in Clause 8.4 above shall stand automatically terminated without any liability to the Group. However, the Administrator shall, subject to Clause 11.1, have the right to suspend the lapse of Option wholly or partly as per their sole discretion.

12.5 Termination without Cause

In case the service of the Participant with the Group is terminated other than as specified in Clauses 12.1 to 12.4 above, all unvested but not Accrued Options with the Participant on the Termination Date shall lapse and the contract referred to in Clause 8.4 above stand automatically terminated without any surviving right/liability for any party.

Subject to Clause 11.1, Clause 11.4 and Clause 11.5 above, if the termination comes into effect after the listing of Shares of the Company on a recognised stock exchange in India, the Vested Options shall be exercisable before the last working day of the Participant..

If such termination comes into effect before the listing of Shares of the Company on a recognised stock exchange in India, the Participant's unvested but Accrued Options as on the date of termination shall be deemed to be vested upon listing of Shares of the Company and accordingly, all Vested Options, subject to Clauses 11.1, 11.4 and 11.5 above, shall be permitted to be exercised in accordance with Clause 11.7 within 12 months from the date of listing of the Shares.

Any Vested Options not exercised within this aforesaid period shall lapse and stand forfeited at the end of the aforesaid period and the contract referred to in Clause 8.4 above shall stand automatical-

³⁴ To comply with Clause 9(6) of the SEBI Regulations

³⁵ To comply with Clause 9(6) of the SEBI Regulations

ly terminated without any surviving right/ liability for any party. However, the Administrator shall have the right to waive such forfeiture wholly or partly as per its discretion.

12.6 Resignation

In case the services of the Participant with the Company comes to an end due to the Participant's voluntary resignation after the listing of Shares of the Company on a recognised stock exchange in India, the Options vested before the date of resignation shall subject to Clauses 11.1, 11.4 and 11.5 above, be permitted to be exercised in accordance with Clause 11.7 above before the last working day of the Participant subject to the last working day being after 3 months from the date of listing of the Shares.

All Unvested Options (whether accrued or not) shall lapse. Any Vested Options not exercised within this aforesaid period shall automatically lapse at the end of the aforesaid period and the contract referred to in Clause 8.4 above shall stand automatically terminated without any surviving right/ liability for any party.

12.7 Transfer or deputation

In the event that a Participant who has been granted Options under this Plan is transferred or deputed to any other Company in the Group prior to Vesting or Exercise, the Vesting and/or Exercise as per the terms of Grant shall continue in case of such transferred or deputed Participant even after the transfer or deputation³⁶.

13 Long Leave

Notwithstanding anything contained in the Plan, duly approved long leave of the Participant shall not have any effect on the Options granted as applicable to the Participant. Administrator shall have the right to extend the Vesting Period for Unvested Options (whether accrued or not) granted to the Participant in case of any unapproved leaves, by the duration of the unapproved leaves.

14 Notices and correspondence

14.1 Any notice required to be given by a Participant to the Company/ Administrator or any correspondence to be made between a Participant and the Company/ Administrator may be given or made to the Company/ Administrator at the registered office of the Company or at a place as may be notified by the Company/ Administrator in writing.

14.2 Any notice, required to be given by the Company/ Administrator to a Participant or any correspondence to be made between the Company/ Administrator and a Participant shall be given or made by the Company/ Administrator on behalf of the Company at the address provided by the Participant in his Acceptance Form.

15 Beneficiary designation

15.1 Each Participant under the Plan may nominate, from time to time, any Beneficiary or Beneficiaries to whom any benefit accrued to such Participant under the Plan is to be delivered in case of his death before he receives all of such benefit. Each such nomination shall revoke all prior nominations by the same Participant, shall be in a form prescribed by the Company and will be effective only when filed by the Participant in writing with the Company during the Participant's lifetime.

³⁶ To comply with Clause 9(7) of the SEBI Regulations

16 Non-transferability of Options³⁷

- 16.1 Save as provided in Clause 12.1 above, the Options granted herein, are personal to the Participant. The Options cannot be assigned, alienated, pledged, attached, hypothecated, sold or otherwise transferred or encumbered by the Participant/ Beneficiary/ Nominee otherwise than by will or by the laws of descent, to the extent permitted under the applicable law, and any purported assignment, alienation, pledge, attachment, sale, transfer, or encumbrance not permitted herein shall be void and unenforceable against the Company.

17 Corporate Actions

- 17.1 In the event the Company is involved (i) in a scheme for merger, reconstitution, consolidation, dissolution, liquidation or reorganization, exchange of Shares, Share swaps, sale of all or substantially all of the assets of the Company (ii) any stock dividend, stock split, reverse stock split, stock combination, rights issue, bonus issues or other changes in the capital structure of the Company or (iii) any other event which in the judgment of the Administrator necessitates action of making a fair and reasonable adjustment to the number of Options and/or to the Exercise Price, such adjustment shall be made in a manner that the total value of the Options remains the same after the Corporate Action. In all such Corporate Actions, the Administrator shall ensure while taking into consideration the best practices in this area including the procedures followed by the derivative markets in India and abroad, that the Vesting Period and the life of the Options shall be left unaltered to protect the rights of the Participants. The decision of the Administrator on whether a Corporate Action is necessary and the extent of such action by the Administrator shall be final and binding. If a change of Control shall occur, the Administrator may make such adjustments at its discretion as are necessary or appropriate in light of the change of Control (including, without limitation, the substitution of stock other than stock of the Company as the stock optioned hereunder, and the acceleration of the exercisability of the Options), provided that the Administrator determines that such adjustments do not have a substantial adverse economic impact on the Participant as determined at the time of the adjustments.

18 Withholding Tax or any other Sums

- 18.1 All Options granted under this Plan shall be subject to all applicable taxes, withholding tax and/ or any levy and/ or any contribution and/or any sums due (by whatever name it is called) arising due to participation in the Plan (in or outside India), if any, and the Company, may accordingly withhold such taxes and/or levy and/or contribution and/or payment in full unless Administrator decides to withhold in part.
- 18.2 Notwithstanding anything contained in the clauses of the Plan, if, on the Grant of the Option and/ or the Vesting of Option and/ or the Exercise of the Options and/or allotment of the Shares and or at any time while this Plan is in operation shall be subject to any levy and/ or taxes or contribution or payment (by whatever name called), if any, that is levied on or payable by the Company/Employing entity (in or outside India). Such taxes and/or levy and/or contribution and/or payment shall be recovered in full, unless the Administrator at its sole discretion decides to recover in part from the Participant.
- 18.3 Notwithstanding anything else contained in this Plan, no Shares/sale proceeds therefrom, as the case may be, shall be issued/ allotted/ disbursed to the Participant, on Exercise of the Options under the Plan, unless appropriate levies/taxes/contributions/payments as given in this Clause are recovered in full, unless the Administrator at its sole discretion decides to recover only a part of

³⁷ To comply with Clauses 9(1) and 9(3) of the SEBI Regulations

the same from the Participant or Beneficiary.

19 Arbitration

- 19.1 In the event of a dispute arising out of or in relation to the provisions of this Plan (including a dispute relating to the construction or performance thereof), the relevant parties shall attempt in the first instance to resolve such disputes through an amicable settlement. The attempt to bring about an amicable settlement shall be considered to have failed as soon as one of the parties hereto, after a reasonable attempt, which attempt shall continue for not more than 90 days, gives 90 day notice thereof to the other party in writing. In case of such failure, either party may refer the dispute to a single arbitrator appointed by both the parties and failing such agreement, to three arbitrators, one to be appointed by each party and the third arbitrator to be jointly appointed by the two arbitrators appointed by the parties. The arbitration proceedings shall be held at New Delhi under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or re-enactment thereof. The arbitrator(s) shall give a reasoned award in writing. The arbitrator(s) shall also decide on the costs of the arbitration proceedings. The parties shall submit to the arbitrator's award and the award shall be enforceable in competent court of law at New Delhi.

20 Tenure

- 20.1 The Plan shall continue in effect unless terminated by the Company or the Administrator. Any such termination of the Plan shall not affect Options already granted and such Options shall remain in full force and effect as if the Plan had not been terminated unless mutually agreed otherwise between the Participants and the Company or the Administrator.

21 Governing Law

- 21.1 This Plan and all agreements thereunder shall be governed by and construed in accordance with the Applicable Laws of India.
- 21.2 The Participant agrees and acknowledges that the Participant has received and read a copy of the Plan. The Options are subject to the Plan. Any term of the Plan that is contrary to any requirement of SEBI Regulations as and when it is applicable or any other Applicable Law, including but not limited to the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder shall not apply to the extent it is contrary.
- 21.3 In the event that any term, condition or provision of the Plan being held to be a violation of any Applicable Law, statute or regulation the same shall be severable from the rest of the Plan and shall be of no force and effect and the Plan shall remain in full force and effect as if such term, condition or provision had not originally been contained in the Plan.
- 21.4 In order to comply with regulation of any other country or to avail any tax or other benefits, the Administrator may at its sole discretion formulate an addendum to this Plan for Employees employed in that country and made applicable to such Employees from the date determined by the Administrator.

22 Regulatory approvals

- 22.1 The implementation of the Plan, the Grant of any Option as per terms of the Plan and the issuance of any Shares by the Company under the Plan shall be subject to the procurement by the Company and/or the Participant of all approvals and permits required by any regulatory authorities having jurisdiction over the Plan, the Options and the Shares issued pursuant thereto. The Participant under this Plan will, if requested by the Administrator, provide such assurances and representations to the Company or Administrator, as the Administrator may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements. However, the inability of the Company to obtain authority from any regulatory body having jurisdiction over the Company, or under any Applicable Laws, for the lawful issuance and sale of any Shares hereunder shall relieve

and wholly discharge the Company of any and all liability in respect of the failure to issue or sell such Shares.

- 22.2 The Board/Company shall make all the relevant disclosures in the Director's report³⁸ in relation to the Plan as are required under SEBI Regulations as and when it is applicable or other Applicable Laws.
- 22.3 The Board/Company shall follow and confirm to applicable accounting policies issued by the Institute of Chartered Accountants of India from time to time³⁹ and/or accounting policies as per the SEBI Regulations.

23 Modification of Plan

The Administrator may, subject to a special resolution⁴⁰ passed at a General Meeting⁴¹ at any time and from time to time:

- 23.1 Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Plan, or all or any of the rights and obligations of the Grantee/Participant/ Beneficiary;
- 23.2 Formulate various sets of special terms and conditions in addition to those set out herein, to apply to the Grantee/Participant/ Beneficiary. Each of such sets of special terms and conditions shall be restricted in its application to those Grantee/Participant/Beneficiary; and
- 23.3 Alter the Exercise Price, if the Option becomes unattractive due to fall in market price of the Shares.

Provided that no variation, alteration, addition or amendment to the Plan can be made if it is detrimental to the interests of the Grantee/Participant and the approval of the Shareholders in General Meeting has been obtained unless the terms are varied to meet any regulatory requirements⁴².

24 Miscellaneous provisions

- 24.1 No right to a Grant: Neither the adoption of the Plan, nor any action of the Administrator shall be deemed to give an Employee any right to be granted an Option to acquire Shares or to any other rights hereunder except as may be evidenced by a Grant Letter, and then only to the extent of and on the terms and conditions expressly set forth therein, or in the Plan as the case may be.
- 24.2 No employment rights conferred: Nothing contained in the Plan or in any grant made hereunder shall (i) confer upon any Employee any right with respect to continuation of employment with the Group, or (ii) interfere in any way with the right of the Group to terminate his employment at any time.
- 24.3 This Plan or Grant of Options under this Plan shall not form part of any contract of employment between the Company and an Eligible Employee and the rights and obligations of any Eligible Employee under the terms of his office or employment shall not be affected by his participation in this Plan or any right which he may have to participate in it and this Plan shall afford such an Eligible Employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason. It is clarified that nothing contained herein or in the Grant Letter shall give or confer upon the Grantee or the Participant, any right for

³⁸ To comply with Clause 14 and 16(2) of the SEBI Regulations

³⁹ To comply with Clause 15 of the SEBI Regulations

⁴⁰ To comply with Clause 7(3) of the SEBI Regulations

⁴¹ Notice for such variation should disclose the details of variation, the rationale and the details of the Employees who are beneficiary of such variation as per Clause 7(4) of the SEBI Regulations

⁴² To comply with Clause 7(1), Clause 7(2), Clause 7(5) and proviso to clause 7(5) of the SEBI Regulations

continuation of any employment with the Company or interfere in any way with the right of the Company to terminate the employment of such Employee.

The Participant (or the Beneficiary) shall have no rights as a Shareholder of the Company with respect to the Options/ Shares under this Plan (including any right to receive dividend or voting rights) until the Shares have been issued/ transferred to such Participant (or the Beneficiary) in accordance with this Plan and name of the Participant (or the Beneficiary) has been entered in the register of members of the Company as the holder of the Shares.

The existence of this Plan and the Grants made hereunder shall not in any way affect the right or the power of the Company to make or authorize any change in capital structure (including any issue of Shares, debt or other securities having any priority or preference with respect to the then existing Shares (including Shares underlying the Options) or the rights thereof) or to prevent the Company from taking any Corporate Action or change its capital structure which is deemed by the Company to be appropriate or in its best interest.

The acceptance of the Grant is entirely voluntary and the Company or the Administrator does not guarantee any return on Shares. The Participant shall not be entitled to any legal or equitable rights against the Company with respect to any compensation or damages for any loss or potential loss (whether directly or indirectly) which he or she may suffer by reason of being unable to Exercise an Option in whole or in part or on account of the lapsing or cancellation of such Options in accordance with this Plan.

The Participant shall not be entitled to any compensation or damages for any loss or potential loss which he/she may suffer by reason of being unable to Exercise a Stock Option in whole or in part.

- 24.4 Adherence to Applicable Laws: The Participant shall comply with all Applicable Laws.
- 24.5 This Plan shall not confer on any person any legal or equitable rights against the Company or the Administrator directly or indirectly or give rise to any cause of action at law or in equity against the Company or the Administrator.
- 24.6 The Company shall bear the costs of establishing and administering this Plan, including any costs of the Company's auditors or any independent financial adviser in relation to the preparation of any confirmation by them or provision of any other service in relation to this Plan.
- 24.7 The Participant shall comply of SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations 2003, to the extent applicable as well as any code of conduct or such similar policy procedure or system formulated or adopted by the Administrator and communicated to the Participant from time to time. Any violation of the Applicable Laws or code of conduct may result in cancellation of all Vested and Unvested Options (whether accrued or not) as well as subject the Participant to disciplinary action at the discretion of the Company.
- 24.8 The acceptance of the Grant is entirely voluntary and the Company or the Administrator does not guarantee any return on Shares or Options.
- 24.9 This Plan constitutes the entire document in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter.

25 Severability

- 25.1 If any of the provisions mentioned in this Plan are determined to be invalid or unenforceable, the remaining provisions shall remain in effect and binding on the parties to the fullest extent permitted by Applicable Laws.

26 Confidentiality

- 26.1 The Participant shall not divulge the details of the Plan and/or his holdings to any person except with the prior written permission of the Administrator unless so required to do under the Applicable Laws or any statutes or regulations applicable to such Participant. In case of failure to comply with this Clause by the Participant, the Grant or the contract referred to in Clause 8.4 above, as the case may be, shall, unless the Administrator decides otherwise, stand automatically terminated without any surviving right/ liability for any party.