

**SCHEDULE 1.2**  
*Form of the Agreement*

**AGREEMENT**

*between*

**(1) Pfleiderer Group S.A.**

*and*

**(2) [NAME OF THE MANAGER]**

*regarding*

**THE LONG-TERM INCENTIVE PROGRAM**

Dated [●] 2017

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**THIS AGREEMENT REGARDING THE LONG-TERM INCENTIVE PROGRAM** (the “**Agreement**”) has been made on [●] 2017 among the following parties:

- (1) **Pfleiderer Group S.A.**, a joint-stock company with its registered office in Wrocław and address at ul. Strzegomska 42AB, 53-611, Wrocław, entered into the Register of Business Entities of the National Court Register maintained by the District Court for Wrocław-Fabryczna, [●] Commercial Division of the National Court Register, under number 0000011422, hereinafter referred to as the “**Company**”, represented by [●];  
and
- (2) [●], hereinafter referred to as the “**Manager**”, represented by [●].

The Company and the Manager shall hereinafter be jointly referred to as the “**Parties**” and individually as a “**Party**”).

**WHEREAS:**

- (A) The Manager has been appointed and serves as the [*chairman / deputy chairman of the Supervisory Board of the Company*].
- (B) In recognition of the Manager’s hitherto and future contribution, service and work for the Company’s development and increase of its value for the shareholders, on [●] 2017 the general meeting of the shareholders of the Company adopted a resolution regarding the terms of the long-term incentive program setting forth the rules regarding the terms on which selected members of the Supervisory Board will be granted an additional incentive in the form of the rights to acquire from the Company existing ordinary bearer shares in the share capital of the Company.
- (C) The Parties wish to agree the detailed terms and conditions related to the Manager’s right to acquire from the Company existing ordinary bearer shares in the share capital of the Company.

**BASED ON THE FOREGOING THE PARTIES AGREE** as follows:

**1. DEFINITIONS**

1.1 In this Agreement:

“**Agreement**” means this agreement;

“**Bad Leaver**” means a Manager whose appointment with the Company has expired and is not a Good Leaver or who is associated with a Material Breach;

“**Broker**” means any financial institution, which renders brokerage services which will be appointed by the Company at its sole discretion;

“**Business Day**” means any day other than a Saturday or Sunday or other public holiday in Poland;

“**Call Option**” has the meaning assigned to it in Clause 2.1;

“**Call Option Exercise Notice**” has the meaning assigned to it in Clause 4.2;

“**Call Option Period**” has the meaning assigned to it in Clause 2.3;

“**Call Option Price**” has the meaning assigned to it in Clause 4.2;

“**Call Option Shares**” has the meaning assigned to it in Clause 2.1;

“**Call Option Tranche**” has the meaning assigned to it in Clause 2.2.6;

“**Cash Alternative**” has the meaning assigned to it in Clause 6.1;

“**Company**” means Pfleiderer Group S.A., a joint-stock company with its registered office in Wrocław and address at ul. Strzegomska 42AB, 53-611, Wrocław, entered into the Register of Business Entities of the National Court Register maintained by the

District Court for Wrocław-Fabryczna, VI Commercial Division of the National Court Register, under number 0000011422;

**“Competitive Business”** means (i) holding shares in, or being employed by, or providing services to or holding any function under any contract (including employment or consultancy contract) or based on any other legal title or without legal title, directly or indirectly, in any entity which is a competitor of any entity in the Company’s capital group or pursuing any such activity, directly or indirectly, by the Manager as a sole trader or on similar basis, (ii) any other activity which is determined from time to time by the Supervisory Board of the Company, at its sole discretion, to constitute Competitive Business, or (iii) any other activities which the Manager cannot perform or undertake pursuant to the non-compete agreement concluded between the Manager and the Company or any company from its capital group, but relating to the Company. For the avoidance of doubt, the holding of up to 5% of the shares in companies listed on the regulated market, or any activity conducted with the consent of the Supervisory Board of the Company, which cannot be unreasonably withheld by the Supervisory Board of the Company, shall not, of itself, constitute Competitive Business; in case of any dispute as to whether a particular activity constitutes Competitive Business, the Supervisory Board of the Company shall decide as to the qualification of such activities;

**“Defaulting Manager”** has the meaning assigned to it in Clause 9.4;

**“Disposal”** and to **“Dispose”** mean the transfer of any right, the obligation to transfer any right, including the sale, establishment of the right of option in the case of Call Option Shares, or establishment of any Encumbrance over the Call Option Shares;

**“Dividend Amount”** means the sum of all dividends paid or declared to be paid by the Company in the period from the date of the adoption of the Resolution to the end of each Share Price Test Period divided by all the Shares;

**“Exercise Price”** means 30 PLN, which will be the price to be paid by the Manager per each Call Option Share in order to acquire the Call Option Shares upon the exercise of the Call Option;

**“Exit Event”** means the, direct or indirect, transfer by the Significant Shareholders, jointly, of such a number of the Shares which would result in decreasing their share in the overall number of votes at the general meeting of the shareholders of the Company below 10%, except in the event that one Significant Shareholder sells his shares to the other Significant Shareholder(s);

**“Exit Price”** means the price received by any of the Significant Shareholders as a result of the Exit Event; in the event that the Exit Event occurs as a result of series of transactions, the Exit Price shall be the weighted average of all such transactions;

**“Expiry for Cause”** means the dismissal of the Manager as a member of the Supervisory Board due to a material breach of his duties, including as a result of gross negligence, wilful misconduct, gross incompetence or dishonesty;

**“Encumbrance”** and to **“Encumber”** mean any mortgage, pledge, agreement or other contractual obligation resulting in the right to use the object of the Encumbrance, or a claim of a third party to the object of the Encumbrance which limits the Disposal or the use of any rights pertaining to the object of the Encumbrance or making the Call Option Shares reference security for a derivative transaction, establishing any limited rights in rem or any other third party rights;

**“LTIP Term”** means the term of 5 (five) consecutive years from the date of the execution of the Agreement;

**“Manager”** has the meaning assigned to it in item (2) of the composition of this Agreement;

**“Managers Percentage”** has the meaning assigned to it in Clause 2.1;

**“Material Breach”** means any of the following: (i) the appointment of the Manager as the member of the Supervisory Board Expires for Cause; (ii) a criminal offence, on the part of the Manager that pursuant to Art. 18 of the Polish Commercial Companies Code prevents such Manager from continuing to perform his duties; (iii) the Manager engaging in a Competitive Business at any time prior to a date falling one (1) year after his Retirement Date; (iv) the Manager directly or indirectly soliciting or canvassing an employee or consultant of any entity within the Company’s capital group at any time prior to the date falling one (1) year after his Retirement Date; or (v) the Manager directly or indirectly soliciting business from, canvassing or interfering with any client of any entity within the Company’s capital group at any time prior to a date falling one (1) year after his Retirement Date, provided such solicitation, canvassing or interference has a material detrimental effect to the business of the Company’s capital group;

**“Good Leaver”** means a Manager, in the event that: (A) his appointment with the Company expires through (i) lapse of the term for which he was appointed as a member of the Supervisory Board and he was not elected for the next term of office for reasons other than Expiry for Cause or occurrence of a Material Breach; (ii) dismissal from the Supervisory Board for reasons other than Expiry for Cause or occurrence of a Material Breach; (iii) death; or (iv) disability confirmed by a doctor due to which he is unable to perform his duties as a member of the Supervisory Board; and (B) he is bound by a non-compete arrangement with the Company or any company from its capital group, but relating to the Company, for a period not shorter than one (1) year following the end of his appointment with the Company, unless the Company decided, at its sole discretion, not execute such non-compete arrangement with the Manager;

**“Permitted Disposal”** has the meaning assigned to it in Clause 9.2;

**“Resolution”** means a resolution no. [●] dated [●] 2017 of the general meeting of the shareholders of the Company regarding the terms of the long-term incentive program setting out the rules regarding the terms on which the selected members of the Supervisory Board will be granted an additional incentive in the form of the Call Option Shares;

**“Retirement Date”** means the date on which the Manager ceases to be a member of the Supervisory Board of the Company;

**“Shares”** means the shares existing in the share capital of the Company through the term of this Agreement and a **“Share”** means one such share;

**“Significant Shareholders”** means shareholders of the Company holding, individually or in aggregate in case of entities with respect to which their shareholding is aggregated pursuant to applicable securities regulations, as at the date of the adoption of the Resolution, at least 10% of the shares in the share capital of the Company and the corresponding number of votes at the general meeting of the shareholders of the Company, and their subsidiaries, affiliates, or funds, as the case may be;

**“Share Price Test Period”** means a periods of 70 (seventy) consecutive trading days at the Warsaw Stock Exchange (*Giełda Papierów Wartościowych w Warszawie S.A.*) through the whole LTIP Term – first period starts on 1 June 2017;

**“Tax”** and **“Taxation”** mean any form of taxation, duty or charge, of whatever nature (including any related fine, penalty, surcharge or interest) imposed by a Tax Authority, including but not limited to income tax, capital gains tax, corporate tax, value added tax, stamp duty and customs duty;

“**Tax Authority**” means any local or governmental tax authority of any kind;

“**Tested Share Price**” means (i) the arithmetic average of the market price of the Shares established on the basis of the daily volume-weighted average prices at the end of the Share Price Test Period to be calculated by the Advisor according to Clause 3 increased by the Dividend Amount, or (ii) the Exit Price, if available to the Company;

“**Tested Share Price Calculation**” has the meaning assigned to it in Clause 3.4;

“**Tested Share Price Notice**” has the meaning assigned to it in Clause 3.3;

“**Tested Share Price Rejection Notice**” has the meaning assigned to it in Clause 3.4;

“**Total Exercise Price**” means the Exercise Price multiplied by all the Call Option Shares to the acquisition of which the Manager is entitled pursuant to Clause 2.1 of this Agreement;

“**Tranche 1 Call Option**” has the meaning assigned to it in Clause 2.2.1;

“**Tranche 2 Call Option**” has the meaning assigned to it in Clause 2.2.2;

“**Tranche 3 Call Option**” has the meaning assigned to it in Clause 2.2.3;

“**Tranche 4 Call Option**” has the meaning assigned to it in Clause 2.2.4;

“**Tranche 5 Call Option**” has the meaning assigned to it in Clause 2.2.5;

“**Tranche 6 Call Option**” has the meaning assigned to it in Clause 2.2.6; and

“**Advisor**” means Trigon Dom Maklerski S.A. with its registered office in Kraków, at ul. Mogilska 65, 31-545 Kraków or any other financial institution, which renders brokerage services which will be appointed by the Company at its sole discretion.

1.2 In this Agreement, a reference to:

1.2.1 a person includes a reference to a natural person, body corporate, association or partnership;

1.2.2 a person includes a reference to that person's legal personal representatives and successors; and

1.2.3 a clause, unless the context otherwise requires, is a reference to a clause of this Agreement.

1.3 The headings in this Agreement do not affect its interpretation.

1.4 The recitals form an integral part of this Agreement.

## 2. **OPTION TO ACQUIRE THE CALL OPTION SHARES**

2.1 Subject to the remaining provisions of this Agreement, in exchange for the payment of the Total Exercise Price, the Company grants the Manager an option to acquire up to [●] ([●]) existing ordinary bearer shares with a nominal value of PLN 0.33 (thirty-three groszy) each, constituting [●]% ([●]) (the “**Managers Percentage**”) of the shares in the total share capital of the Company (collectively, the “**Call Option Shares**”) on the terms and conditions set forth herein (the “**Call Option**”). For this purpose, and subject to the remaining provisions of this Agreement, the Company hereby makes to the Manager an irrevocable offer, within the meaning of Article 66 and subsequent provisions of the Civil Code, to sell the Call Option Shares to the Manager for the Total Exercise Price free from any Encumbrances.

2.2 Subject to Clause 7, as long as the Manager remains a member of the Supervisory Board or has ceased to be a member of the Supervisory Board, but is a Good Leaver, the Call Option shall be vested (i.e. the Manager will have the right to partially exercise

the Call Option with respect to such number of Call Option Shares as provided below) in the following manner:

- 2.2.1 [●] Call Option Shares (i.e. 5% of the Call Option Shares to which the Manager is entitled) will be vested, if the Tested Share Price of the Shares equals at least 40.00 PLN (the “**Tranche 1 Call Option**”);
  - 2.2.2 [●] Call Option Shares (i.e. 5% of the Call Option Shares to which the Manager is entitled) will be vested, if the Tested Share Price of the Shares equals at least 47.00 PLN (the “**Tranche 2 Call Option**”);
  - 2.2.3 [●] Call Option Shares (i.e. 7.5% of the Call Option Shares to which the Manager is entitled) will be vested, if the Tested Share Price of the Shares equals at least 55.00 PLN (the “**Tranche 3 Call Option**”);
  - 2.2.4 [●] Call Option Shares (i.e. 10% of the Call Option Shares to which the Manager is entitled) will be vested, if the Tested Share Price of the Shares equals at least 63.00 PLN (the “**Tranche 4 Call Option**”);
  - 2.2.5 [●] Call Option Shares (i.e. 22.5% of the Call Option Shares to which the Manager is entitled) will be vested, if the Tested Share Price of the Shares equals at least 70.00 PLN (the “**Tranche 5 Call Option**”); and
  - 2.2.6 [●] Call Option Shares (i.e. 50% of the Call Option Shares to which the Manager is entitled) will be vested, if the Tested Share Price of the Shares equals at least 80.00 PLN (the “**Tranche 6 Call Option**” – collectively with the Tranche 1-5 Call Options the “**Call Option Tranches**” and individually a “**Call Option Tranche**”)
- 2.3 Once a Call Option Tranche is vested according to Clause 2.2 and as long as the Manager remains a member of the Supervisory Board or has ceased to be a member of the Supervisory Board but is a Good Leaver, the Manager shall have the right to exercise each Call Option Tranche and acquire the respective number of the Call Option Shares, according to the procedure set forth in Clause 4 within three (3) years from the date he receives the Tested Share Price Notice (the “**Call Option Period**”). For the avoidance of doubt, if within the period referred to in the preceding sentence, the Manager does not exercise the respective Call Option Tranche, he will irrevocably lose the right to acquire the Call Option Shares arising out of the respective Call Option Tranche without the right to any compensation.
- 2.4 The Call Option is not transferable, thus it may not be Disposed of, Encumbered or otherwise transferred by the Manager, except for:
- 2.4.1 to an entity directly or indirectly wholly owned by the Manager, provided that such entity adheres to this Agreement in accordance with the form attached to this Agreement as Schedule [2.4.1]; or
  - 2.4.2 inheritance.
- 2.5 Notwithstanding what is provided in Clause 2.4.2, in order to acquire the rights arising out of this Agreement and the Resolution, the heirs of the Manager must present to the Company an official document confirming the inheritance from the Manager, in particular a court ruling or other official document, and execute the representation, substantially in the form of Schedule [2.5] hereto, stating that they assume all the rights and obligations arising out of this Agreement and the Resolution.
- 2.6 For the avoidance of doubt, the Managers Percentage relates to the number of the shares in the share capital of the Company as of the date of the adoption of the Resolution and shall not increase the number of the Call Option Shares to which the Manager is entitled to in case of the increase of the share capital of the Company. However, in case the structure of the share capital is changed without an increase or

decrease of the share capital of the Company, in particular by way of a split of the Shares or changes in the nominal value of the Shares, the number of the Call Option Shares to which the Managers shall be entitled shall be recalculated by multiplying the Managers Percentage by the new number of Shares.

### **3. TESTED SHARE PRICE**

- 3.1 The Advisor will be responsible for calculating the Tested Share Price.
- 3.2 During the entire LTIP Term, the Advisor will calculate the Tested Share Price on a regular basis. The Advisor shall regularly inform the Company about the Tested Share Price: (i) on the last Business Day of each week during the LTIP Term; or (ii) after the Tested Share Price reaches any of the price levels referred to in Clause 2.2, which would result in vesting of any of the Call Option Tranches, in which case the Advisor shall inform the Company within 1 (one) Business Day about such fact. The Company hereby undertakes to undertake all reasonably required actions in order to receive from any of the Significant Shareholders the information about the Exit Price, in which case it will pass such information to the Manager pursuant to Clause 3.3.
- 3.3 Following the receipt by the Company of the information from the Advisor referred to in Clause 3.2(ii), the Company shall inform the Manager about the fact that the Tested Share Price has reached the price level as a result of which the given Call Option Tranche has vested (the "**Tested Share Price Notice**", substantially in the form of Schedule [3.3] hereto). For the avoidance of doubt, if the Tested Share Price reaches a level as a result of which a given Call Option Tranche to which the Manager is entitled vests, all earlier, but not yet vested, Call Option Tranches will also vest (for example, if the Tested Share Price of the Shares equals at least 70.00 PLN, as a result of which Tranche 5 Call Option Shares vest, then Tranches 1-4 Call Option Shares will also vest).
- 3.4 If, in the opinion of the Manager, the Tested Share Price has been satisfied, but the Company did not deliver to the Manager the Tested Share Price Notice, the Manager shall provide the Company with a written calculation of the Tested Share Price confirming that the Tested Share Price has been met (the "**Tested Share Price Calculation**"). Within 5 (five) Business Days following the receipt of the Tested Share Price Calculation, the Company shall either: (i) provide the Manager with the Tested Share Price Notice; or (ii) inform the Manager in writing that, in the opinion of the Company, the Tested Share Price has not been met and there are no grounds to provide the Manager with the Tested Share Price Notice; together with such written notice, the Company shall provide the Manager with a calculation confirming that the Tested Share Price has not been met (the "**Tested Share Price Rejection Notice**"). The lack of delivery of the Tested Share Price Rejection Notice within the above-mentioned deadline will be treated as the Company's consent to the Tested Share Price Calculation and the Manager will be entitled to request that the Broker transfer to the Manager the relevant portion of the Call Option Shares, following the payment by the Manager to the Company of the Exercise Price pursuant to Clause 5.
- 3.5 In the event that, during the LTIP Term, the Tested Share Price for any of the respective Call Option Tranche Shares has not been met and such Call Option Tranche Shares were not vested, the Manager shall irrevocably lose the right to acquire such Call Option Tranche Shares without the right to any compensation.

### **4. EXERCISE OF THE CALL OPTION**

- 4.1 Following the receipt of the Tested Share Price Notice during the Call Option Period, the Manager shall have the right to exercise the respective Call Option Tranche on any Business Day within the Call Option Period.
- 4.2 To execute the Call Option the Manager shall serve the Company a written notice regarding the exercise of the respective Call Option Tranche (the "**Call Option**



**Exercise Notice**”), substantially in the form of Schedule [4.2] hereto, stating the total Exercise Price for all the Call Option Shares for which the Call Option will be exercised and the number of such Shares being the product of the Exercise Price and the number of the Call Option Shares subject to the Call Option Exercise Notice (the **“Call Option Price”**).

- 4.3 Without prejudice to Clause 5, the Manager shall pay the Call Option Price to the Company within 30 (thirty) days from the delivery of the Call Option Exercise Notice to the Company. As soon as practically possible from the date on which the Call Option Price is credited to the bank account of the Company, the respective Call Option Shares shall be transferred by the Broker to the securities account of the Manager. The settlement of the Call Option shall be conducted in accordance with Clause 8.

## **5. PAYMENT OF THE EXERCISE PRICE**

- 5.1 Subject to Clause 5.2, the Exercise Price for the respective Call Option Shares shall be paid by the Manager in cash, including the cash provided by the Company to the Manager, on an arm's length basis, by way of a loan or otherwise, to the bank account of the Company indicated in the Tested Share Price Notice.
- 5.2 The Company and the Manager may separately agree to use a different method of payment of the Exercise Prices which shall require the prior consent of the Supervisory Board.

## **6. CASH ALTERNATIVE**

- 6.1 Upon the receipt of the Call Option Exercise Notice, the Company, at its sole discretion, may elect not to deliver to the Manager the Call Option Shares subject to the Call Option Exercise Notice, but instead to satisfy its obligation arising out of this Agreement with cash (the **“Cash Alternative”**).
- 6.2 The Cash Alternative shall be calculated as the difference between the Exercise Price and the closing price of the Shares on the trading day at the Warsaw Stock Exchange on which the Company received the Call Option Exercise Notice multiplied by the Call Option Shares subject to the Call Option Exercise Notice.
- 6.3 In case the Company elects to settle its obligation to deliver the Call Option Shares to the Manager in the form of the Cash Alternative voluntarily or because of the fact that the Company does not have enough Shares to transfer to the Manager, the Company will be responsible for all Taxes related thereto, and fully indemnifies the Manager for any and all tax liabilities arising in connection with paying the Cash Alternative; however, only with respect to the amount which constitutes the difference between the tax liabilities due in relation to: (i) the settlement of the Call Option by way of delivering to the Manager the Call Option Shares; and (ii) the settlement of the Call Option by way of the Cash Alternative.

## **7. LEAVER PROVISIONS**

- 7.1 In the event that the Manager is a Bad Leaver:
- 7.1.1 the Company's Supervisory Board will adopt a resolution stating that the Manager is or has become a Bad Leaver;
- 7.1.2 in the case of the Call Option Shares with respect to which the Tested Share Price has not been yet met – the right of the Manager to receive any further Call Option Shares, pursuant to Clause 2 and 4 will expire and the Manager will no longer be entitled to receive such shares from the Company and will not have the right to any compensation;
- 7.1.3 in the case of Call Option Shares with respect to which the Tested Share Price has been met, but the Manager has not yet made the decision to request from the Company the transfer thereof pursuant to Clause 4 – the right of the

Manager to receive such Call Option Shares will expire and the Manager will no longer be entitled to receive such shares from the Company and will not have the right to any compensation; and

- 7.1.4 the Manager shall be required to repay to the Company, within 30 (thirty) days from the earlier of (i) the date on which the resolution referred to in Clause 7.1.1 is adopted or (ii) occurrence of a Material Breach with respect to the Manager, in cash an amount equal to the difference between the Tested Share Price for each respective exercised Call Option Tranche and the Exercise Price multiplied by the number of Call Option Shares which the Manager has acquired before the adoption of the resolution referred to in Clause 7.1.1 or occurrence of a Material Breach with respect to the Manager, less any Taxes paid or to be paid by the Manager in relation to the acquisition of the Call Option Shares.
- 7.2 In the event that the Manager is a Good Leaver:
  - 7.2.1 the Manager shall have the full rights to the Call Option Shares which he has acquired in exercise of any of the Call Option Tranches;
  - 7.2.2 the Manager shall retain his right to acquire the Call Option Shares with respect to which the Tested Share Price has been met and were vested, but the Manager has not yet made the decision to exercise any of the Call Option Tranches; and
  - 7.2.3 the right of the Manager to receive the Call Option Shares, other than those referred to in Clause 7.2.2, will expire, and the Manager will no longer be entitled to receive such shares from the Company without any compensation.
- 7.3 In case the Manager disagrees with the fact that he has been determined to be a Bad Leaver by the Supervisory Board and any dispute related therewith arises, the Company shall not be obliged to transfer the Call Option Shares to the Manager pursuant to the terms of this Agreement, until such dispute is finally settled between the Manager and the Company.
- 7.4 In the event that the Manager can be deemed to be a Bad Leaver by operation of this Agreement, the Supervisory Board may, at its sole discretion, at any time adopt a resolution stating that such Manager is nevertheless a Good Leaver.

## **8. SETTLEMENT OF THE CALL OPTION**

- 8.1 The settlement of the Call Option shall be carried out in cooperation by the Broker and the broker appointed by the Manager at his sole discretion (collectively the “**Brokers**”) based on the Call Option Exercise Notice by means of the transfer of the respective Shares to the Manager outside of the regulated market (*transakcja poza rynkiem regulowanym*) on the basis of settlement instructions or in another way, if so agreed between the Brokers, the Manager and the Company.
- 8.2 Each Party shall take any and all reasonable actions as are necessary from time to time to facilitate the exercise of the Call Option and to effect the transfer of the respective Shares in accordance with this Agreement and the Resolution, in particular, submitting an appropriate order and/or other necessary transaction documents to purchase such number of Shares as is indicated in the relevant Call Option Exercise Notice.
- 8.3 The Company with respect to the Call Option undertake to grant the Broker an irrevocable power of attorney to take any and all actions of a legal or factual nature necessary (including submitting dispositions and brokerage orders) for the exercise of the respective Option in order to register the respective Shares at the brokerage

account of either the Company or the Manager. The Broker will be able to grant further powers of attorney to its employees.

## **9. LOCK-UP**

9.1 Subject to Clause 9.2, the Manager shall not be entitled to Dispose of or Encumber any of the Call Option Shares until the lapse of the LTIP Term.

9.2 The lock-up obligation referred to in Clause 9.1 above shall not apply to the Disposal of or the Encumbrance of the Call Option Shares:

9.2.1 to the extent required to fund the Exercise Price of the respective Call Option Tranche after it vests and/or any Taxes arising from the acquisition of the Call Option Shares, including the establishment of a pledge or a similar collateral over the respective Call Option Shares for the purpose of providing financing in order to cover the Exercise Price;

9.2.2 to an entity directly or indirectly wholly owned by the Manager, provided that such entity adheres to this Agreement in accordance with the form attached to this Agreement as Schedule [2.4.1];

9.2.3 made pursuant to Clause 10; or

9.2.4 as a result of the occurrence of the Exit Event (however, only, following the receipt by the Company of a relevant notice informing about the change in the Company's shareholding made pursuant to the applicable securities regulations);

(collectively referred to as the "**Permitted Disposal**")

9.3 The Manager shall inform the Company in writing within two (2) Business Days about any Permitted Disposal made in accordance with Clauses 9.2.1-9.2.4. The written notice sent to the Company must, at a minimum, indicate: (i) the number of the Call Option Shares which were subject to the Permitted Disposal; (ii) the remaining Call Option Shares which are directly held by the Manager; (iii) the entity to which the Call Option Shares have been Disposed of or Encumbered; and (iv) a brief description of the Permitted Disposal.

9.4 In the event of the Manager's non-performance or improper performance of his obligations under this Clause 9, the Company, after previously delivering to the Manager a written request to properly perform his obligations under this Clause 9 within an additional period of five (5) Business Days, is, in its sole discretion, entitled to terminate this Agreement with respect to the Manager with immediate effect by service of a termination notice to the Manager (the "**Defaulting Manager**"). In this case: (i) the Company and the Manager agree that the Defaulting Manager shall cease to have any rights set forth in this Agreement, including the right to acquire any Call Option Shares or the cash equivalent thereof, which have not been acquired by the date of delivery of the termination notice to the Defaulting Manager; and (ii) the Defaulting Manager shall be obliged to pay a contractual penalty to the Company in an amount equal to the aggregate Exercise Price paid for all the Call Option Shares by the date of delivery of the termination notice to the Defaulting Manager in accordance with Clause 11.1.2.

## **10. SALE OF THE SHARES BY THE SIGNIFICANT SHAREHOLDERS**

10.1 In the event that the Manager learns that any of the Significant Shareholders has sold any of the Shares, he shall be entitled to Dispose of his Call Option Shares pro rata to the number of the Shares sold by the respective Significant Shareholder or the average number of the Shares in case more than one Significant Shareholder sells its Shares (i.e. if any of the Significant Shareholders sells 5% of the Shares held by such shareholder, the Manager shall be entitled to Dispose up to 5% of the Call Option Shares held by a Manager).

10.2 The Company hereby undertakes to undertake all reasonably required actions in order to inform the Manager about any sale of the Shares by the Significant Shareholders.

## 11. TERMINATION

11.1 The right and obligations arising out of this Agreement shall remain in effect until the lapse of the later of: (i) the last Call Option Period; or (ii) LTIP Term, unless otherwise terminated:

11.1.1 by the written consent of all of the Parties; or

11.1.2 by the Company pursuant to Clause 9.4.

## 12. NOTICES

12.1 A notice or other communication under or in connection with this Agreement shall be made in writing in English and shall be delivered personally or sent by registered delivery to the Party due to receive the notice or communication, at its address as set out below or another address set out in Clause 12.2.

12.2 The Parties' addresses for the purposes of this Agreement are:

### The Manager

Address: [●]

For the attention of: [●]

with a copy to: [*the name of the member of the Supervisory Board*]

### The Company

Address: ul. Strzegomska 42AB, 53-611, Wrocław, Poland

For the attention of: [●]

with a copy to: [●]

12.3 Any notice or other communications shall be deemed given:

12.3.1 if delivered personally, when left at the address referred to in Clause 12.1, whereas such delivery shall be confirmed in writing by the receiving Party or its authorised employee;

12.3.2 if sent by registered delivery, the date recorded by the relevant postal service as the date of delivery.

Provided that if any of such days of deemed receipt is not a Business Day, receipt will be deemed to have taken place on the next Business Day.

12.4 A Party shall notify the other Party of a change to its name, specified contact person or address for the purposes of Clause 12.1.

## 13. ANNOUNCEMENTS

13.1 Subject to Clause 13.2, no Party may make or send a public announcement, communication or circular concerning this Agreement and the transactions referred to in this Agreement unless it has first obtained the other Party's written consent.

13.2 Any Party will be entitled to make a public announcement concerning this Agreement and the transactions referred to in this Agreement if required to do so by law or the rules of any stock exchange to which it is subject.

## 14. TAXES

Subject to Clause 6.3, the Manager will be responsible for all Taxes attributable to any benefits received under this Agreement, and fully indemnifies the Company for any and all tax liabilities arising in connection with such payments.

## **15. GENERAL**

- 15.1 Except where an express time limit is provided for in this Agreement, the failure to exercise or a delay in exercising a right provided under this Agreement or under applicable law does not constitute a waiver of the right or a waiver of other rights or remedies. No single or partial exercise of a right provided under this Agreement or under applicable law prevents the further exercise of the right or the exercise of another right arising out of this Agreement.
- 15.2 The rights contained in this Agreement are cumulative and not exclusive of the rights provided under applicable law.
- 15.3 Neither Party may assign any of its rights or obligations hereunder without the consent of the other Party, unless otherwise provided in this Agreement.
- 15.4 This Agreement has been executed in 2 (two) counterparts in the Polish and English languages, one counterpart for each language version for each Party, whereas in case of any discrepancies the English version shall prevail.
- 15.5 Any amendments to this Agreement shall be null and void unless made in writing and signed by the Parties and not contradictory to the terms set forth in the Resolution.

## **16. SEVERABILITY**

- 16.1 If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms or provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner so that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

## **17. GOVERNING LAW AND JURISDICTION**

- 17.1 This Agreement is governed by, and shall be construed in accordance with, Polish law.
- 17.2 The Parties irrevocably agree that a common Polish court – the District Court for the capital city of Warsaw – shall have exclusive jurisdiction in relation to deciding and settling any dispute or claim arising out of or in connection with this Agreement.

### Schedules:

- **SCHEDULE 2.4.1** - Representation regarding adherence to the agreement regarding the long-term incentive program
- **SCHEDULE 2.5** - Representation regarding adherence to the agreement regarding the long-term incentive program
- **SCHEDULE 3.3** - Form of the Tested Share Price Notice
- **SCHEDULE 4.2** - Form of the Call Option Exercise Notice

**IN WITNESS WHEREOF**, the Parties hereto confirm the execution of this Agreement on the date first written above.

**Pfleiderer Group S.A.**

**The Manager**

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*Name:*

*Name:*

*Position:*

*Position:*

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*Name:*

*Position:*

## SCHEDULE 2.4.1

*Representation regarding adherence  
to the agreement regarding the long-term incentive program*

[•] 2017

**To:** Pfleiderer Group S.A.  
ul. Strzegomska 42AB  
53-611 Wrocław, Poland  
(the “**Company**”)  
Attn.: [•]

### **REPRESENTATION REGARDING ADHERENCE TO THE AGREEMENT REGARDING THE LONG-TERM INCENTIVE PROGRAM**

Reference is made to the agreement regarding the long-term incentive program entered into on [•] 2017 by the Company and [*the Manager*] (the “**Manager**”) (the “**Agreement**”). All capitalised terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

#### **WHEREAS:**

- (A) pursuant to Clause 2.4 of the Agreement, the Call Option is not transferable, thus it may not be Disposed of, Encumbered or otherwise transferred by the Manager, except, in particular, to an entity directly or indirectly wholly owned by the Manager, provided that such entity adheres to the Agreement;
- (B) [*name of the entity*] is [*directly / indirectly*] wholly owned by the Manager (the “**Subsidiary**”), which is confirmed by [*a document confirming the ownership structure of the Subsidiary*]; and
- (C) the Subsidiary wishes to adhere to the Agreement and assume all of the rights and obligations arising therefrom by executing this representation.

#### **1. ADHERENCE**

The Subsidiary hereby confirms that it had access to a copy of the Agreement, understands its provisions and irrevocably, unconditionally and with immediate effect assumes all of the rights and obligations arising out of the Agreement with respect to all the parties to the Agreement from time to time (including any person who enters into a similar representation, whether before or after this representation is entered into) and undertakes to comply with the provisions of and to perform all of the obligations set out in the Agreement in so far as they remain to be observed and performed, as if the Subsidiary had been an original party to the Agreement.

#### **2. NOTICES**

The address and fax number of the Subsidiary is as follows:

Address: [•]

Fax [•]

Email: [•]

For the attention of: [•]

### **3. GENERAL AND INTERPRETATION**

- 3.1. This representation has been executed in 2 (two) counterparts in the Polish and English languages, one counterpart for each language version for the Subsidiary and the Company, whereas in case of any discrepancies, the English version shall prevail.
- 3.2. The interpretation provisions and the general provisions of the Agreement, in particular, such as Clauses 12, 15 to 17 shall apply to this representation.

#### Schedule:

- a) [*document the confirming ownership structure of the Subsidiary*]



*[Signature page follows]*

**[•]**

**[•]**

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*Name:*

*Name:*

***[I/We], the undersigned, hereby confirm the receipt of the representation regarding adherence and further acknowledge and agree thereto on behalf of Pfeiderer Group S.A.***

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*Name:*

*Name:*

*Position:*

*Position:*

## SCHEDULE 2.5

### *Representation regarding adherence to the agreement regarding the long-term incentive program*

[●] 2017

To: Pfleiderer Group S.A.  
ul. Strzegomska 42AB  
53-611 Wrocław, Poland  
(the “**Company**”)  
Attn.: [●]

#### **REPRESENTATION REGARDING ADHERENCE TO THE AGREEMENT REGARDING THE LONG-TERM INCENTIVE PROGRAM**

Reference is made to the agreement regarding the long-term incentive program entered into on [●] 2017 by the Company and [*the Manager*] (the “**Manager**”) (the “**Agreement**”). All capitalised terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

#### **WHEREAS:**

- (A) On [●], the Manager passed away, which has been confirmed by the death certificate attached to this representation;
- (B) According to [*the type of the official document confirming the inheritance (e.g. a court ruling)*], the undersigned have been determined as the only heirs of the Manager (the “**Heirs**”);
- (C) Pursuant to Clause 2.5 of the Agreement, in order to acquire the rights arising out of the Agreement by way of inheritance, the heirs of the Manager must present to the Company an official document confirming the inheritance from the Manager and execute this representation;
- (D) The Heirs wish to assume all of the rights and obligations arising out of the Agreement by executing this representation.

#### **1. ADHERENCE**

Each of the Heirs hereby confirms that he/she had access to a copy of the Agreement, understands its provisions and irrevocably, unconditionally and with immediate effect assumes all of the rights and obligations arising out of the Agreement with respect to all the parties to the Agreement from time to time (including any person who enters into a similar representation, whether before or after this representation is entered into) and undertakes to comply with the provisions of and to perform all of the obligations set out in the Agreement in so far as they remain to be observed and performed, as if the Heirs had been an original party to the Agreement.

#### **2. BROKERAGE ACCOUNT**

The Heirs undertake to open and maintain a brokerage account at the Broker for a period no shorter than until the lapse of the later of: (i) the last Call Option Period; or (ii) LTIP Term (the “**Brokerage Account**”). Such Brokerage Account shall be jointly opened and maintained for all the Heirs and all the Call Option Shares to which the Heir will be entitled to receive shall be transferred to such a Brokerage Account.

### 3. NOTICES

The address and fax number of the Heirs are as follows:

Address: [•]

Fax [•]

Email: [•]

For the attention of: [•]

### 4. GENERAL AND INTERPRETATION

4.1. This representation has been executed in [•] ([•]) counterparts in the Polish and English languages, one counterpart for each language version for each of the Heirs and the Company, whereas in case of any discrepancies the English version shall prevail.

4.2. The interpretation provisions and the general provisions of the Agreement, in particular, such as Clauses 12, 15 to 17 shall apply to this representation.

#### Schedule:

- b) Death certificate;
- c) [*document confirming the inheritance*]

*[Signature page follows]*

[•]

[•]

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*Name:*

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*Name:*

***[I/We], the undersigned, hereby confirm the receipt of the representation regarding adherence and further acknowledge and agree thereto on behalf of Pfeiderer Group S.A.***

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*Name:*

*Name:*

*Position:*

*Position:*

**SCHEDULE 3.3**  
*Form of the Tested Share Price Notice*

[•] 2017

To: [the Manager]  
(the “**Manager**”)

**TESTED SHARE PRICE NOTICE**

Reference is made to the agreement regarding the long-term incentive program entered into on [•] 2017 by the Pfeleiderer Group S.A. (the “**Company**”) and the Manager (the “**Agreement**”). All capitalised terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

**WHEREAS:**

(A) Under the Agreement, the Call Option shall be vested (i.e. the Manager will have the right to exercise the Call Option with respect to a certain number of Call Option Shares as provided in Clause 2.2 of the Agreement), if the Tested Share Price of the Shares reaches certain levels;

(B) The Company wishes to inform the Manager about the Tested Share Price.

On [•], the Company has been informed by the Advisor that the Tested Share Price reached [•].

Given the above, pursuant to Clause 3.3 of the Agreement, by delivering this Tested Share Price Notice the Company hereby informs the Manager that [number of the Call Option Tranches] were vested, thus the Manager is entitled to exercise [number of the Call Option Tranches] and acquire [number of the Call Option Shares].

**On behalf of Pfeleiderer Group S.A.**

\_\_\_\_\_  
Name:

Position:

\_\_\_\_\_  
Name:

Position:

***I, the undersigned, hereby confirm the receipt of the representation regarding adherence and further acknowledge and agree thereto on behalf of Pfeiderer Group S.A.***

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Name:



## SCHEDULE 4.2

### Form of the Call Option Exercise Notice

[•] 2017

To: Pfleiderer Group S.A.  
ul. Strzegomska 42AB  
53-611 Wrocław, Poland  
(the “**Company**”)  
Attn.: [•]

### CALL OPTION EXERCISE NOTICE

Reference is made to the agreement regarding the long-term incentive program entered into on [•] 2017 by the Company and the undersigned (the “**Agreement**”). All capitalised terms not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

#### WHEREAS:

- (A) Under the Agreement, the Company made to the Manager an irrevocable offer (within the meaning of Article 66 and subsequent provisions of the Polish Civil Code) to sell to the Manager the Call Option Shares on the terms and conditions set forth in the Agreement;
- (B) On [•], the Manager received from the Company the Tested Share Price Notice confirming that [*number of the Call Option Tranche*] has vested and that the Manager may exercise the [*number of the Call Option Tranche*]; and
- (C) The Manager wishes to exercise the respective Call Option Tranche.

Pursuant to Clause 4.2 of the Agreement, by delivering to the Company this Call Option Exercise Notice, the Manager hereby accepts an irrevocable offer (within the meaning of Article 66 and subsequent provisions of the Polish Civil Code) made by the Company in accordance with Clause 2 of the Agreement and hereby wishes to acquire [*number*] Call Option Shares from the Company on the terms set forth in the Agreement.

The Call Option Price amounts to [*amount*] being the product of the Exercise Price and the number of the Call Option Shares subject to this Call Option Exercise Notice.

The Manager hereby requests that the Call Option Shares subject to this Call Option Exercise Notice are transferred to the following securities account of the Manager: [•] as soon as practically possible from the date on which the Call Option Price is credited to the bank account of the Company.

For the avoidance of doubt, the statements included in this Call Option Exercise Notice constitute the acceptance of the offer pursuant to the provisions of the Polish Civil Code.

**[*name of the Manager*]**

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***[I/We], the undersigned, hereby confirm the receipt of the representation regarding adherence and further acknowledge and agree thereto on behalf of Pfeiderer Group S.A.***

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*Name:*

*Name:*

*Position:*

*Position:*