

# **MANAGEMENT INCENTIVE PLAN RULES**

AmRest Holding SE

13 December 2011  
(amended on 20 April 2015)

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The following represents the Management Incentive Plan (the **Plan**) of AmRest Holdings SE (formerly AmRest Holdings N.V.) a company incorporated under the laws of Poland, having its corporate seat at Pl. Grunwaldzki 25-27, 50-365 Wrocław, registered in the Business Register of the National Court Register held by the District Court in Wrocław, under KRS 0000320252, NIP 1010002998, (the **Company**), approved by the Supervisory Board of the Company on 13 December 2011 and later amended on 20 April 2015. The authorization to purchase shares for the purpose of this Plan and to grant the shares to Participants of the Plan was given by resolutions of the General Meeting of Shareholders of 10 June 2011 and 15 October 2014. The Plan is aiming to provide motivation and incentive to current or future key management team members of the Company and its Subsidiaries to ensure their top performance to the benefit of the Company and its Subsidiaries.

## 1. DEFINITIONS

1.1 The following words and expressions have the following meanings for the purposes of this Plan:

**Business Day** means any day, except a day that is a Saturday, Sunday or public holiday in Poland or in the country where the Employee is employed;

**Change of Control** of the Company means (i) any merger or consolidation of the Company with or into any other Person or any stock purchase or sale, reorganisation, recapitalisation or other transaction, in each case, in one transaction or a series of related transactions, if, immediately after giving effect to such transaction(s), any Person or a group of Persons under common Control, not currently controlling the Company acquires Control of the Company or of its transferee(s) or surviving Persons or (ii) any sale, transfer or other conveyance, whether direct or indirect, of all or substantially all of the assets of the Company, on a consolidated basis, in one transaction or a series of related transactions.

**Company** means AmRest Holdings SE;

**Control** means, with respect to any Person, the power to control, directly or indirectly, more than 50% (fifty per cent) of the voting interest of such Person, or the ability to appoint or elect more than 50% (fifty per cent) of the board of directors or other equivalent governing board of such Person, whether such power is effected through ownership of shares or other securities, by contract, by proxy or otherwise;

**Discharge for Cause** means termination of the employment of an Employee by reason of the fact that he or she has been convicted of a felony or has been discharged from employment for theft, dishonesty, misconduct or negligence, including without limitation termination pursuant to art. 52 of the Polish Labour Code;

**Employee** means:

- (i) any Person who is employed by the Company or any of its Subsidiaries at the level 7 and above and who in the opinion of the Supervisory Board is one of the key personnel of the Company or any of its Subsidiaries in a position to contribute materially to its continued growth and development and to its future financial success. or
- (ii) upon prior approval of the Supervisory Board, any Person who is employed by the Company or any of its Subsidiaries at the level below 7 and who in the opinion of the Supervisory Board is one of the key personnel of the Company or any of its Subsidiaries in a position to contribute materially to its continued growth and development and to its future financial success.

**Exercise Period** means the period of time between 13 December 2014 and 12 December 2021, inclusive of both dates;

**Exercise Price** on a given day means the price payable to acquire a vested Share upon exercise of an Option;

**Fair Market Value** on a given day means:

1) if the Warsaw Stock Exchange was open on that day - the closing stock price of the Company on that day,

2) if the Warsaw Stock Exchange was closed on that day - the closing stock price of the Company on the last day before that day when Warsaw Stock Exchange was open;

**First Grant Date** for a given Participant means the date on which the Participant receives the first-ever grant of Options pursuant to the Plan;

**Grant Date** means in relation to any Options, the date on which the Options are granted;

**Granting Period** means the period of time between 13 December 2011 and 12 December 2014, inclusive of both dates;

**Intrinsic Value of the Option** means the positive difference between the Fair Market Value of the Share on the day on which the Participant submitted the Option for exercise pursuant to clause 5.7, and the Exercise Price of the Option;

**Legal Successors** of a Participant means:

a) in case the Participant has deceased – a person or persons legitimated by a final court decision stating that this person or these persons have acquired inheritance after the Participant with regards to the rights under the Plan by force of law or a will, or

b) in case the Participant has become permanently disabled in such a way that the Participant is no longer capable to exercise his/her rights and obligations under the Plan – a person or persons entitled by force of a final court decision to administrate the Participant's estate in case the Participant is incapable of running their own affairs due to circumstances provided in the Polish Family and Guardianship Code or equivalent foreign legislation;

**Management Board** means the board of management of the Company;

**Option** means an entitlement to subscribe to one Share pursuant to the Plan; for the avoidance of doubt, an Option is not transferable and is not intended to constitute a "financial instrument" as defined in the Act on trading in financial instruments of 29 July 2005;

**Option Value** on a given day means an amount equal to the difference between the Fair Market Value of the Share with respect to which the Option has been granted and the Exercise Price on that day;

**Participant** means the holder of one or more Options;

**Person** means any individual, partnership, limited liability company, firm, corporation, company, association, trust, unincorporated organisation or other entity;

**Plan Administrator** means a Person that may be designated by the Company to administer the Plan;

**Polish Labour Code** means the Act of 26 June 1974 the Labour Code (Dz.U. 98.21.94 with further amendments);

**Securities Account** means the participant's private account in any brokerage house or bank which can be used to trade on the Warsaw Stock Exchange. All fees, commissions and other payments related to this account are the responsibility of the Participant;

**Shares** means the ordinary shares in the capital of the Company;

**Subsidiary** means each and every Person in which the Company (or Persons acting on its behalf), from time to time, directly or indirectly, owns or holds more than 50% (fifty per cent) of the equity interest;

**Supervisory Board** means the supervisory board of the Company;

**Total Disability** means the permanent and complete inability of the Employee to perform any type of employment, by reason of any physical or mental disability, confirmed by a medical certificate issued by a doctor in accordance with relevant provisions of law;

**Total Number of Options** for a given Participant means the total number of Options granted to that Participant within this Plan on or before 12 December 2014;

**Total Options Value** for a given Participant means Option Value multiplied by the number of all unexercised options held by that Participant;

**Warsaw Stock Exchange** means Giełda Papierów Wartościowych w Warszawie S.A.

- 1.2 In this Plan, unless the contrary intention appears, a reference to a clause, subclause or schedule is a reference to a clause, subclause or schedule to this Plan. The schedules form part of this Plan.
- 1.3 The headings in this Plan do not affect its interpretation.
- 1.4 In this Plan any reference, express or implied, to an enactment (which includes any legislation in any jurisdiction) includes references to:
  - (a) that enactment as amended, extended or applied by or under any other enactment (before or after the date of this Plan);
  - (b) any enactment which that enactment re-enacts (with or without modification); and
  - (c) any subordinate legislation made (before or after the date of this Plan) under that enactment, as re-enacted, amended, extended or applied as described in subclause 1.4(a) above, or under any enactment referred to in subclause 1.4(b) above.
- 1.5 In this Plan words importing the singular shall include the plural and vice versa and words importing the masculine shall include the feminine and vice versa.

## **2. GRANTING OF OPTIONS**

- 2.1 Upon request of the Management Board, the Supervisory Board may from time to time within the Granting Period grant Options to Employees. Granting of Options shall always be the exclusive and discretionary competence of the Supervisory Board.
- 2.2 The total number of Shares with respect to which Options may be granted under this Plan shall not exceed 1 041 000 (one million and forty one thousand), subject to clauses 2.3 and 4.3.

- 2.3 In case any unexercised Options expire pursuant to clause 8, the Shares with respect to which such expired Options were granted increase the pool of Shares with respect to which Options may be granted under this Plan.
- 2.4 Subject to the provisions of the Plan, the Management Board, upon approval of the Supervisory Board, shall have full authority and discretion to take any actions it deems necessary or advisable for the administration of the Plan (including decision on purchase or issuance of Shares necessary to settle the Participants' rights under the Options). For avoidance of doubt the Supervisory Board approval is not necessary for any decision taken pursuant to clause 5.8 of the Plan. All such decisions, interpretations and other actions of the Management Board shall be final, binding and conclusive on all Persons deriving rights under the Plan.
- 2.5 Once the Plan becomes effective, Participants of the Plan shall not be granted stock options or any similar rights resulting from any employee stock option program other than the Plan. To the extent possible, the Company shall comply with the existing rights resulting from participation in other employee stock option programs of the Company or any of its Subsidiaries.

### **3. MODIFICATION OF OPTION TERMS**

The Supervisory Board shall have the discretion and authority to grant Options with such modified terms as the Supervisory Board deems necessary or appropriate in order to comply with the laws of the country in which the Participant resides or is employed or to make the Plan as tax efficient as possible for the Company and the Participant, or for other important reasons. All modifications should be in compliance with applicable law, and shall adhere to the principles set out in this Plan as closely as possible.

### **4. EXERCISE PRICE**

- 4.1 The Exercise Price shall be determined by the Supervisory Board.
- 4.2 Unless the Supervisory Board determines otherwise:
- (a) if the First Grant Date for a Participant falls before 1 January 2012, the Exercise Price applicable to all Options granted to that Participant throughout the Granting Period shall be determined as follows:
    - (i) in the first one-year-period from 13 December 2011 the Exercise Price shall equal 61.00 PLN (sixty one zlotys 00/100);
    - (ii) the Exercise Price shall increase on each anniversary of 13 December 2011 by 11% of the Exercise Price determined for the previous one-year-period;
  - (b) if the First Grant Date for a Participant falls on or after 1 January 2012, the Exercise Price applicable to all Options granted to that Participant throughout the Granting Period shall be determined as follows:
    - (i) in the first one-year-period from the First Grant Date, the Exercise Price shall equal Fair Market Value of the Share on the First Grant Date,
    - (ii) the Exercise Price shall increase on each anniversary of the First Grant Date by 11% of the Exercise Price determined for the previous one-year-period.
- 4.3 If at any time after a Grant Date:
- (a) a share split or reverse share split is effected;

- (b) capital is repaid on the Shares;
- (c) shares in the capital of the Company are issued out of the retained earnings or the capital surplus account; or
- (d) any other similar recapitalisation, reclassification, combination, merger or other corporate transaction (but not the payment of a dividend) takes place;

and such event or events would affect in any way the Total Options Value for a given Participant, then the Supervisory Board shall adjust the Exercise Price and/or the number of the Shares so that the Total Options Value for the Participant immediately before the above-mentioned event or events shall remain unchanged after such event or events. The Company will inform the Participant in writing of any adjustment of the Exercise Price and/or the number of Shares. Furthermore, following the occurrence of any of the foregoing event or events, the Supervisory Board may adjust the number of Shares that are reserved for issuance pursuant to clause 2.2 of the Plan.

## **5. VESTING, EXERCISE AND NON-TRANSFERABILITY**

5.1 Options may only be exercised:

- (a) within the Exercise Period and
- (b) to the extent the Options have vested in accordance with clause 5.2 of the Plan.

5.2 As long as the Participant remains, subject to clause 8.4, an Employee throughout the period of time between the Grant Date and the respective vesting date, both dates inclusive, the Options shall vest according to the following schedule:

- (a) if the First Grant Date for a Participant falls before 1 January 2012:
  - 1/3 (one third) of the Total Number of Options granted to that Participant, rounded down to nearest integer value, shall vest on 13 December 2014;
  - 1/3 (one third) of the Total Number of Options granted to that Participant, rounded down to nearest integer value, shall vest on 13 December 2015;
  - (iii) any Options granted to that Participant and remaining unvested shall vest on 13 December 2016.
- (b) if the First Grant Date for a Participant falls on or after 1 January 2012:
  - (i) 1/3 (one third) of the Total Number of Options granted to that Participant, rounded down to nearest integer value, shall vest on the third anniversary of the First Grant Date;
  - (ii) 1/3 (one third) of the Total Number of Options granted to that Participant, rounded down to nearest integer value, shall vest on the fourth anniversary of the First Grant Date;
  - (iii) any Options granted to that Participant and remaining unvested shall vest on the fifth anniversary of the First Grant Date.

5.3 All transfers of shares to Participants under this Plan shall be made under the authorization of the General Shareholders Meeting resolutions of 10 June 2011 and 15 October 2014.

- 5.4 Vested Options may only be exercised by the Participant, subject to clause 5.12.
- 5.5 The right to exercise vested Options remains valid throughout the Exercise Period.
- 5.6 Options may be exercised in full or in part.
- 5.7 The intention to exercise Options shall be submitted to the Company (Plan Administrator) in a written notice (submission to exercise) within the periods of time determined by the Management Board pursuant to subclause 5.8(a). Only one submission for exercise shall be allowed for each Participant in each period of time determined by the Management Board pursuant to subclause 5.8(a).
- 5.8 The Management Board shall determine each year:
- (a) the number and the length of periods of time prescribed for submission to exercise,
  - (b) minimum number of Options submitted for exercise in a given period of time referred to in subclause 5.11(a),
  - (c) maximum number of Options submitted for exercise in a given period of time referred to in subclause 5.11(b).

When determining the periods of time prescribed for submission to exercise pursuant to subclause 5.8(a) the Management Board shall take into account all blackout periods in the meaning of Article 159 of the Act on trading in financial instruments of 29 July 2005

- 5.9 Within 14 days following the expiry of each period of time determined pursuant to clause 5.8 the Management Board shall draw up a report evidencing the Options duly submitted by the eligible Participants for exercise.
- 5.10 After drawing the report pursuant to clause 5.9 the Management Board shall commence the process of purchase or issuance of Shares necessary to settle the Participants' rights under the Options exercised, subject to clauses 5.11 and 5.12. Each Participant shall pay the Exercise Price multiplied by the number of purchased Shares according to the stock sale agreement between the Company and the Participant.
- 5.11 The Management Board shall have the right to withhold or adjust Shares purchase or issuance process if the number of Options submitted by Participants to exercise during any period determined pursuant to subclause 5.8(a):
- (a) does not exceed the minimum number of Options determined pursuant to subclause 5.8(b)
  - (b) exceeds the maximum number of Options determined pursuant to subclause 5.8(c)
- 5.12 The Participant may not assign, transfer or pledge, or purport to transfer or pledge any of the Options granted to him, subject to clause 5.12.
- 5.13 In the event the Participant has deceased or has become permanently disabled in such a way that the Participant is no longer capable to exercise his/her rights and obligations under the Plan, the Legal Successors of the Participant may exercise such rights and obligations

## **6. DELIVERY OF SHARES AND RELATED MATTERS**

- 6.1 The Shares will be ordered to be delivered against payment of the Exercise Price multiplied by the number of exercised Options, to the Securities Account indicated by the Participant, within five Business Days from the date of purchase of the Shares by the Company or the date of admittance of the Shares for trading at the Warsaw Stock Exchange, whichever is the case. The Participant should



take note that the Warsaw Stock Exchange may impose restrictions on the possibility to sell the Shares for a specified period of time and that selling of such amount of Shares may be impossible due to insufficient market demand.

- 6.2 The notice of the intention to exercise the Option referred to in clause 5.7 by a Participant constitutes an irrevocable authorisation of the Company to do all such things necessary to effect the transfer of Shares to the Participant.
- 6.3 The Participant and, if applicable, his or her Legal Successors shall not bear any transaction costs relating to the transfer of the Shares to the indicated Securities Account.

## **7. ALTERNATIVE METHOD OF OPTIONS SETTLEMENT**

- 7.1. The Management Board shall have the right to decide on an alternative method of Options settlement, by delivering to the Participant such number of Shares equivalent in value to the Intrinsic Value of the Option.
- 7.2. The Management Board shall inform the Participant of its decision to use an alternative method of settlement no later than 14 days from submission to exercise pursuant to clause 5.7
- 7.3. The number of Shares to be delivered to the Participant pursuant to subclause 7.1 shall be determined by dividing the Intrinsic Value of the Option by the Fair Market Value of the Share on the day of the Participant's submission to exercise pursuant to clause 5.7 and multiplying the result by the number of exercised Options. The number of Shares shall be rounded down to one full share.
- 7.4. The Shares shall be delivered to the Participant's Security Account based on the agreement referred to in clause 5.10 free of charge, subject to clauses 9.1.and 9.2.

## **8. CONSEQUENCES OF TERMINATION OF EMPLOYMENT OF A PARTICIPANT**

- 8.1 If the employment of a Participant with the Company and, to the extent applicable, all Subsidiaries is terminated:
  - (a) upon the Participant's death, or
  - (b) upon the Participant's Total Disability;

the Options held by such Participant which upon termination of employment have not vested in accordance with clause 5.2 shall become vested upon the date of termination of the Participant's employment. The vested but unexercised Options will automatically expire without notice or compensation one year after the termination of the employment in accordance with this clause 8.1 or 13 December 2021, whichever is earlier.

- 8.2 Subject to clause 8.3, if the employment of a Participant with the Company and, to the extent applicable, all Subsidiaries is terminated as a Discharge for Cause all Options shall expire immediately and without notice or compensation.
- 8.3 If the employment of a Participant with the Company and, to the extent applicable, all Subsidiaries is terminated for reasons other than those referred to in clauses 8.1 and 8.2 the Options which upon termination of employment of the Participant have not vested in accordance with clause 5.2 shall automatically expire without notice or compensation. The vested but unexercised Options will automatically expire without notice or compensation one (1) year following the termination of the employment or 13 December 2021, whichever is earlier.

- 8.4 In case a Participant referred to in clause 8.3, to the benefit of whom Options have been granted, reinstates his employment with the Company or any of its Subsidiaries so that he becomes again an Employee in the meaning of this Plan, the Management Board upon prior approval of the Supervisory Board may decide to reinstate Participant's rights under the Plan, formerly waived as set out herein.
- 8.5 For the benefit of the Participant concerned, the Management Board upon prior approval of the Supervisory Board may decide to deviate from the provisions under this clause 8.

## **9. TAXES AND SOCIAL SECURITY PREMIUMS**

- 9.1 Any taxes or social security premiums to which the Participant is liable as a result of granting, maintaining or exercising of Options, delivery and sale of Shares are borne by the Participant. In case the law or regulation requires the Company or any Subsidiary to make whatever deductions or withholdings from the Participant's salary or compensation owed to him by the Company or any Subsidiary, the Company or Subsidiary shall be entitled to do so; in case such deduction or withholding requires the consent of the Participant and such consent is not granted within the time specified by the Company, the Company may refrain from any action that would require such deduction or withholding.
- 9.2 Without limitation to clause 9.1, the Company or any Subsidiary or any other company appointed by the Management Board which is a Participant's employer may, if required by law or regulation, withhold any amount and make such arrangements as it considers necessary to meet any liability of the Participant for taxation or social security contributions in respect of the grant, exercise or cancellation of Options, delivery of Shares or any other benefits resulting from this Plan.

## **10. CHANGE OF CONTROL**

- 10.1 In the event that the Company is a party to a merger, consolidation or other acquisition, in relation to the outstanding Options the Management Board may, upon approval of the Supervisory Board take the following steps without the consent of the Participant providing for:
- (a) the continuation of such outstanding Options by the Company (if the Company is the surviving corporation);
  - (b) the assumption of the Plan and such outstanding Options by the surviving corporation or its parent;
  - (c) the substitution by the surviving corporation or its parent of options with substantially the same terms for such outstanding Options; or
  - (d) the cancellation of each outstanding Option upon payment to the Participant of an amount in cash or cash equivalents, which may be subject to vesting, repayment or other conditions, equal to (A) the Fair Market Value of the Shares subject to such Option on or before the time of the merger, consolidation or other acquisition minus (B) the Exercise Price of the Shares subject to such Option.
- 10.2 Except as provided in this Plan, a Participant shall have no rights by reason of:
- (a) any subdivision or consolidation of shares of stock of any class;
  - (b) the payment of any dividend; or
  - (c) any other increase or decrease in the number of shares of stock of any class.

- 10.3 Any issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number or Exercise Price of Shares subject to an Option. The grant of an Option pursuant to the Plan shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganisations or changes of its capital or business structure, to merge or consolidate or to dissolve, liquidate, sell or transfer all or any part of its business or assets.

## **11. LIMITATION OF RIGHTS**

- 11.1 Neither the grant of the Options nor this Plan itself or any provisions therein can be interpreted or shall be construed to:
- (a) give an Employee any right to be awarded Options other than in the sole discretion of the Supervisory Board; or
  - (b) cause the Options to be deemed equity of the Company or any Subsidiary; or
  - (c) give the Participant any rights as a stockholder with respect to any Shares covered by an Option before the acquisition of such Shares; or
  - (d) limit in any way the right of the Company or a Subsidiary to terminate a Participant's employment at any time; or
  - (e) be evidence of any agreement or understanding, express or implied, that the Company or any Subsidiary will employ a Participant in any particular position or at any particular rate of remuneration or for any particular period of time.

## **12. NOTICES**

- 12.1 Notices pursuant to this Plan to be submitted by the Company to the Employee shall be deemed to be addressed correctly if they have been sent to the address of the Employee as known by the personnel department of the Company or any Subsidiary.
- 12.2 Notices pursuant to this Plan to be submitted by the Participant to the Company shall be deemed to be addressed correctly if they have been sent to the following address: HR Director, AmRest Holdings SE, Plan Grunwaldzki 25-27, 50-365 Wrocław, Poland, except to the extent the Company has provided written notice to the Participant containing different instructions.

## **13. DATA COLLECTION**

- 13.1 The Company shall collect, process, transmit and store in any form whatsoever, any and all data of professional or personal nature, which the Company has at its disposal and which are useful or necessary for the purpose of administering the Plan. The Company confirms that, in the normal course of business and as a corporate policy, personal records and records with any personal data of its employees are kept confidential and are only disclosed in compliance with applicable regulations.

## **14. PAYMENT**

- 14.1 All cash payments for the transfer of Shares to the Participant pursuant to this Plan shall be made in Polish Zloty.

## **15. DURATION, AMENDMENT AND TERMINATION**

- 15.1 The Plan shall become effective as of 13 December 2011.

- 15.2 The Management Board upon prior approval of the Supervisory Board may amend, suspend or terminate the Plan at any time. The Company shall, to the extent possible, comply with existing rights of Participants pursuant to the Plan.
- 15.3 No Shares shall be issued or sold under the Plan after the termination thereof, except upon exercise of an Option granted prior to such termination. The termination of the Plan, or any amendment thereof, shall not affect any Option previously granted under the Plan.

**16. CHOICE OF LAW AND JURISDICTION**

- 16.1 The plan will be governed by Polish law. All disputes arising in connection with this Plan shall be brought before the competent court in Wroclaw, Poland.