

## Dr. Y. K. Hamied

Windsor Villa, 2nd Floor, Westfield Estate, Bhulabhai Desai Road, Mumbai 400 026

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21<sup>st</sup> October, 2014

To  
The Chief General Manager  
Corporation Finance Department  
Division of Corporate Restructuring  
Securities & Exchange Board of India  
SEBI Bhavan, Plot No. C4-A,  
'G' Block Bandra Kurla Complex,  
Bandra (East) Mumbai – 400 051

Dear Sir,

**Re: Request for Informal Guidance by way of an interpretive letter under the SEBI (Informal Guidance) Scheme, 2003 ("Scheme"), in relation to inter-se transfer among the promoters and promoter group of Cipla Limited**

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We submit the following facts for your consideration and your opinion, with respect to the provisions of regulations 3 and 5 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SAST Regulations**").

### A. BACKGROUND

1. Cipla Limited ("**Cipla**" or "**the Company**") is a listed company *inter alia* engaged in the business of manufacture and marketing of pharmaceutical products.
2. I and various members of my family, together with certain entities within our control own and hold equity shares in the Company ("**Shares**") and have been classified as members of the "Promoter" and "Promoter Group"<sup>1</sup> of the Company (collectively "**Group**"). The day to day management of the Company is undertaken by a professional leadership team headed by a professional Managing Director. I and my brother Mr. M.K. Hamied are currently non-executive directors of the Company. I was the Managing Director of the Company till my retirement on March 31, 2013. Mr. M.K. Hamied retired as a wholetime director of the Company on March 31, 2014.

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<sup>1</sup> As defined under the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

3. The list of individuals / entities constituting the 'promoters' and 'the promoter group' (as defined in the SAST Regulations) is set out in **Schedule 1** written hereunder. The individual members shown in the list are 'immediate relatives' as defined in Regulation 2(1) of the SAST Regulations to each other. All the entities forming part of the promoter group ("Entities") are all directly and indirectly owned and controlled by the individuals forming part of the promoter group. A pictorial representation of the shareholding of the promoter and promoter group is set out in **Schedule 2** written hereunder.
4. As part of a voluntary and consensual family understanding, and with the intent of putting into writing the broad understanding in respect of the manner in which the Group will exercise votes in respect of the Company, the Group is proposing to enter into an agreement ("**Agreement**") in that respect. The Agreement also provides for a preemptive right in case the shareholders choose to transfer their shares. The final version of the proposed Agreement is set out in **Schedule 3** written hereunder.
5. By way of background, historically, no proxies were executed among individual members of the Group, except that Mrs. Sophie Ahmed (sister of Dr. Y. K. Hamied), would execute a proxy in my favour. Prior to the commencement of the Companies Act, 2013, voting in general meetings of the Company would take place by show of hands, and individual members of the Group (except Mrs. Sophie Ahmed) would vote personally, and the corporate entities of the Group would authorise individuals to vote on their behalf in the general meetings. Typically, all members of the Group would vote the same way. Mrs. Sophie Ahmed has reserved her right to be a party to the Agreement and should she choose to act according to the Agreement she would be made a party or deemed to be a party to the Agreement.
6. The persons and entities set out in **Schedule 1** have been shown to be forming part of the 'promoter' and 'promoter group' for the last 10 years approximately. The 'promoter' and 'promoter group' has been disclosed as such in accordance with clause 35 of listing agreement.
7. There is no proposed transfer of any Shares of the Company, and the aggregate voting rights of the 'promoter' and 'promoter group' in the Company would not change on account of this proposed Agreement.

## **B. RELEVANT PROVISIONS OF THE PROPOSED AGREEMENT**

### **"2. COORDINATED VOTING**

- 2.1 *It is the intention of the Parties to have a coordinated approach and to act as a single unit for the purposes of exercising their voting rights in the Company. For effectuating this purpose, the Parties hereby agree and undertake to act jointly in that respect as a single unit, subject to and under the overall direction and supervision of YKH during his lifetime, and MKH after the demise of or upon the incapacity of YKH to act.*

- 2.2 *After the demise of both YKH and MKH or both of them being incapacitated, the Hamied Family shall act jointly in respect of voting with respect to the Company as a single unit subject to and under the overall direction and supervision of the member of the Hamied Family who owns the highest number of Shares.*

### 3. **EXERCISE OF VOTING RIGHTS**

- 3.1 *The Parties jointly undertake to ensure that they, their authorised representatives and proxies representing them at the meetings of the board of directors of the Company ("**Board Meeting**") and general meetings of the shareholders of the Company ("**General Meeting**") shall at all times exercise their votes as set out in Clause 2 above and act in such a manner so as to comply with, and to fully and effectually implement the spirit, intent and specific provisions of this Agreement. It is clarified that any reference to exercise of votes will also necessarily include e-voting and voting by postal ballot, and the Parties agree that they will execute all necessary documents, and do all acts as may be required in this regard.*

- ....
- 3.3 *YKH, who currently individually holds and owns Shares representing 15.55% (Fifteen point Fifty Five Percent) of the equity share capital in the Company, shall exercise his voting rights at any General Meeting, either directly or by way of proxy, appointed under Form No. MGT-11 as set out in the Companies (Management and Administration) Rules, 2014 ("**MA Rules**"). YKH, if he is not attending the General Meeting for any reason whatever, may authorise and nominate another person to attend and vote in his stead, and, in the absence of any such nomination, MKH will be deemed to be his authorised representative and/or proxy, and if MKH is unable to so act, then YKH shall nominate KH to so act, and in the absence of any such nomination, KH will be deemed to be his authorised representative and/or proxy.*

- 3.4 *FH, SV and the Entities currently collectively own and hold Shares representing approximately 7.20% (Seven point Twenty Percent) of the equity share capital in the Company, and they collectively agree to appoint YKH as their respective authorised representative and/or proxy, to vote in all General Meetings. In this regard, they will each execute all necessary deeds and documents including Form No. MGT-11 as set out in the MA Rules. FH, SV and the Entities, in furtherance of this provision, agree to renew their authorised representative and/or proxy for each General Meeting, as may be required in accordance with the Companies Management and Administration Rules, without any delay, demur or protest.*

- .....
- 3.6 *MKH, SH, KH and RG currently collectively own and hold Shares representing approximately 8.33% (Eight point Thirty Three Percent) of the equity share capital in the Company, and SH, KH and RG collectively agree to appoint MKH as their respective authorised representative and/or proxy, to vote in all General Meetings (and MKH shall additionally exercise his voting rights at such General Meeting directly). In this regard, they will each execute all necessary deeds and documents including Form No. MGT-11 as set out in the MA Rules. SH, KH and RG, in furtherance of this provision, agree to renew their authorised representative and/or proxy for each General Meeting, as may be required in accordance with the Companies Management and Administration Rules, without any delay, demur or protest.*

... ”

## C. APPLICABLE REGULATIONS OF SAST REGULATIONS

### Regulation 2(1):

“(b) “acquisition” means, directly or indirectly, acquiring or agreeing to acquire shares or voting rights in, or control over, a target company;

(q) “persons acting in concert” means,—

(1) persons who, with a common objective or purpose of acquisition of shares or voting rights in, or exercising control over a target company, pursuant to an agreement or understanding, formal or informal, directly or indirectly co-operate for acquisition of shares or voting rights in, or exercise of control over the target company.

....

(v) “shares” means shares in the equity share capital of a target company carrying voting rights, and includes any security which entitles the holder thereof to exercise voting rights;

*Explanation.—* For the purpose of this clause shares will include all depository receipts carrying an entitlement to exercise voting rights in the target company;”

### Regulation 3

#### **“Substantial acquisition of shares or voting rights.**

3. (1) No acquirer shall acquire shares or voting rights in a target company which taken together with shares or voting rights, if any, held by him and by persons acting in concert with him in such target company, entitle them to exercise twenty-five per cent or more of the voting rights in such target company unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations.

(2) No acquirer, who together with persons acting in concert with him, has acquired and holds in accordance with these regulations shares or voting rights in a target company entitling them to exercise twenty-five per cent or more of the voting rights in the target company but less than the maximum permissible non-public shareholding, shall acquire within any financial year additional shares or voting rights in such target company entitling them to exercise more than five per cent of the voting rights, unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations:

*Provided that such acquirer shall not be entitled to acquire or enter into any agreement to acquire shares or voting rights exceeding such number of shares as would take the aggregate shareholding pursuant to the acquisition above the maximum permissible non-public shareholding.*

*Explanation.—* For purposes of determining the quantum of acquisition of additional voting rights under this sub-regulation,—

(i) gross acquisitions alone shall be taken into account regardless of any intermittent fall in shareholding or voting rights whether owing to disposal of shares held or dilution of voting rights owing to fresh issue of shares by the target company.

(ii) in the case of acquisition of shares by way of issue of new shares by the target company or where the target company has made an issue of new shares in any given financial year, the difference between the preallotment and the post-allotment percentage voting rights shall be regarded as the quantum of additional acquisition .

(3) For the purposes of sub-regulation (1) and sub-regulation (2), acquisition of shares by any person, such that the individual shareholding of such person acquiring shares exceeds the stipulated thresholds, shall also be attracting the obligation to make an open offer for acquiring shares of the target company irrespective of whether there is a change in the aggregate shareholding with persons acting in concert.”

#### Regulation 4

##### ***“Acquisition of control.***

*4. Irrespective of acquisition or holding of shares or voting rights in a target company, no acquirer shall acquire, directly or indirectly, control over such target company unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations.”*

#### Regulation 10(1)(a) and 10(1)(g)

##### ***“General exemptions.***

*10. (1) The following acquisitions shall be exempt from the obligation to make an open offer under regulation 3 and regulation 4 subject to fulfillment of the conditions stipulated therefor,—*

*(a) acquisition pursuant to inter se transfer of shares amongst qualifying persons, being,—*

*(i) immediate relatives;*

*(ii) persons named as promoters in the shareholding pattern filed by the target company in terms of the listing agreement or these regulations for not less than three years prior to the proposed acquisition;*

*(iii) a company, its subsidiaries, its holding company, other subsidiaries of such holding company, persons holding not less than fifty per cent of the equity shares of such company, other companies in which such persons hold not less than fifty per cent of the equity shares, and their subsidiaries subject to control over such qualifying persons being exclusively held by the same persons;*

*(iv) persons acting in concert for not less than three years prior to the proposed acquisition, and disclosed as such pursuant to filings under the listing agreement;*

*(v) shareholders of a target company who have been persons acting in concert for a period of not less than three years prior to the proposed acquisition and are disclosed as such pursuant to filings under the listing agreement, and any company in which the entire equity share capital is owned by such shareholders in the same proportion as their holdings in the target company without any differential entitlement to exercise voting rights in such company:*

*Provided that for purposes of availing of the exemption under this clause,—*

*(i) If the shares of the target company are frequently traded, the acquisition price per share shall not be higher by more than twenty-five per cent of the volume-weighted average market price for a period of sixty trading days preceding the date of issuance of notice for the proposed inter se transfer under sub-regulation (5), as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period, and if the shares of the target company are infrequently traded, the acquisition price shall not be higher by more than twenty-five percent of the price determined in terms of clause (e) of sub-regulation (2) of regulation 8; and*

*(ii) the transferor and the transferee shall have complied with applicable disclosure requirements set out in Chapter V.*

*....*

*(g) acquisition by way of transmission, succession or inheritance;”*

#### Regulations 10(5), 10(6) and 10(7)

*“(5) In respect of acquisitions under clause (a) of sub-regulation (1), and clauses (e) and (f) of sub-regulation (4), the acquirer shall intimate the stock exchanges where the shares of the target company are listed, the details of the proposed acquisition in such form as may be specified, at least four working days prior to the proposed acquisition, and the stock exchange shall forthwith disseminate such information to the public.*

*(6) In respect of any acquisition made pursuant to exemption provided for in this regulation, the acquirer shall file a report with the stock exchanges where the shares of the target company are listed, in such form as may be specified not later than four working days from the acquisition, and the stock exchange shall forthwith disseminate such information to the public.*

*(7) In respect of any acquisition of or increase in voting rights pursuant to exemption provided for in clause (a) of sub-regulation (1), sub-clause (iii) of clause (d) of subregulation (1), clause (b) of sub-regulation (1), sub-regulation (2), sub-regulation (3) and clause (c) of sub-regulation (4), clauses (a), (b) and (f) of sub-regulation (4), the acquirer shall, within twenty-one working days of the date of acquisition, submit a report in such form as may be specified along with supporting documents to the Board giving all details in respect of acquisitions, along with a non-refundable fee of rupees twenty five thousand by way of a banker's cheque or demand draft payable in Mumbai in favour of the Board.*

*Explanation.— For the purposes of sub-regulation (5), sub-regulation (6) and subregulation (7) in the case of convertible securities, the date of the acquisition shall be the date of conversion of such securities.”*

#### Regulation 29

##### ***Disclosure of acquisition and disposal.***

*29.(1) Any acquirer who acquires shares or voting rights in a target company which taken together with shares or voting rights, if any, held by him and by persons acting in concert with him in such target company, aggregating to five per cent or more of the shares of such target company, shall disclose their aggregate shareholding and voting rights in such target company in such form as may be specified.*

*(2) Any person, who together with persons acting in concert with him, holds shares or voting rights entitling them to five per cent or more of the shares or voting rights in a target company, shall disclose the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below five per cent, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this subregulation; and such change exceeds two per cent of total shareholding or voting rights in the target company, in such form as may be specified.*

*(3) The disclosures required under sub-regulation (1) and sub-regulation (2) shall be made within two working days of the receipt of intimation of allotment of shares, or the acquisition of shares or voting rights in the target company to,—*

- (a) every stock exchange where the shares of the target company are listed; and*
- (b) the target company at its registered office.*

*(4) For the purposes of this regulation, shares taken by way of encumbrance shall be treated as an acquisition, shares given upon release of encumbrance shall be treated as a disposal, and disclosures shall be made by such person accordingly in such form as may be specified:*

*Provided that such requirement shall not apply to a scheduled commercial bank or public financial institution as pledgee in connection with a pledge of shares for securing indebtedness in the ordinary course of business.”*

## Regulation 31

### ***“Disclosure of encumbered shares.***

*31(1) The promoter of every target company shall disclose details of shares in such target company encumbered by him or by persons acting in concert with him in such form as may be specified.*

*(2) The promoter of every target company shall disclose details of any invocation of such encumbrance or release of such encumbrance of shares in such form as may be specified.*

*(3) The disclosures required under sub-regulation (1) and sub-regulation (2) shall be made within seven working days from the creation or invocation or release of encumbrance, as the case may be to,—*

- (a) every stock exchange where the shares of the target company are listed; and*
- (b) the target company at its registered office.”*

## **D. SUBMISSIONS**

1. The term “acquisition” has been defined in the SAST Regulations to mean, directly or indirectly acquiring or agreeing to acquire shares or voting rights in, or control over, a target company. Therefore, an “acquisition” also includes a direct or indirect acquisition of voting rights.
2. At the outset, in the instant case, the proposed Agreement relates to an understanding among various family members and family controlled entities voting together and it is not, strictly speaking, an acquisition of voting rights, *per se*. What is being contemplated is that the members of the family will vote together and grant their proxies to identified family members in the manner set out in the SHA.
3. Further, Regulation 10(1) speaks of various “acquisitions” which are exempt from the obligation to make an open offer under regulation 3 and regulation 4 subject to fulfillment of the conditions stipulated. Therefore, even though sub-regulation (a) of Regulation 10(1) speaks of an acquisition pursuant to *inter se* transfer of “shares”, we believe that sub-regulation (a) of Regulation 10(1) should also cover within its ambit an acquisition (direct or indirect) of voting rights.
4. Even in an unlikely event where the said arrangement is considered acquisition of voting rights, the said acquisition ought to be exempt under Regulation 10(1) as an exemption relating to inter-se acquisition of shares amongst relatives should also cover inter-se acquisition of voting rights amongst relatives.
5. Needless to say, if the proposed transaction qualifies for the exemption, all requisite filings including under regulation 10 and regulation 29, as may be applicable, will be duly undertaken by the parties.

#### **E. CLARIFICATIONS SOUGHT**

Based on the above facts, we seek your interpretive letter with respect to:

1. Would the arrangement of voting rights in the manner set out in clause 2 & 3 of the proposed Agreement (with or without Mrs. Sophie Ahmed as a party) trigger an obligation on the Querist and/or the Group to make an open offer in terms of Regulation 3(1) read with Regulation 3(3) of the SAST Regulations?
2. If the answer to (E)(1) above is in the affirmative, whether the said arrangement would fall within the exemption provided under Regulation 10(1)(a)(ii) read with Regulation 10(1)(a)(iv) read with Regulation 2(1)(b) of the SAST Regulations?
3. Assuming that the Agreement is executed, then, would the change in the member of Hamied Family under whose direction and supervision the voting would be done pursuant to demise or incapacity of myself (or Mr. M. K. Hamied, as the case may be) in accordance with clause 2 & 3 of the Agreement would fall within the exemption provided under Regulation 10(1)(a)(ii) read with Regulation 10(1)(a)(iv) read with Regulation 2(1)(b) of the SAST Regulations?

#### **F. REQUEST FOR CONFIDENTIALITY**

Given the sensitivities involved in a transaction of this nature, we request you to keep this request and your response confidential and not be made available to the public. In the event the same is required to be made public, I request that the name of the Company, *i.e.*, Cipla Limited entities and/or the individuals involved may be redacted and kept confidential.

If any additional information is required in relation to the opinion as sought above, we request you to kindly communicate at the following address:

C/o. Mr. M. K. Hamied  
1/C, Somerset Place  
Sophia College Lane  
Bhulabhai Desai Road  
Mumbai - 400026

We thank you in advance for your time in considering this application and look forward to hearing from you and receiving your interpretive letter in relation to the above.



Enclosed herewith is a demand draft bearing no. 182323 dated 20<sup>th</sup> October 2014 of Rs. 25,000/- drawn on State Bank of India, in your favour, towards the fees as specified under the Scheme.

Yours truly,

A handwritten signature in black ink, appearing to read 'Dr. Y.K. Hamied', is written over a horizontal line.

Dr. Y.K. Hamied

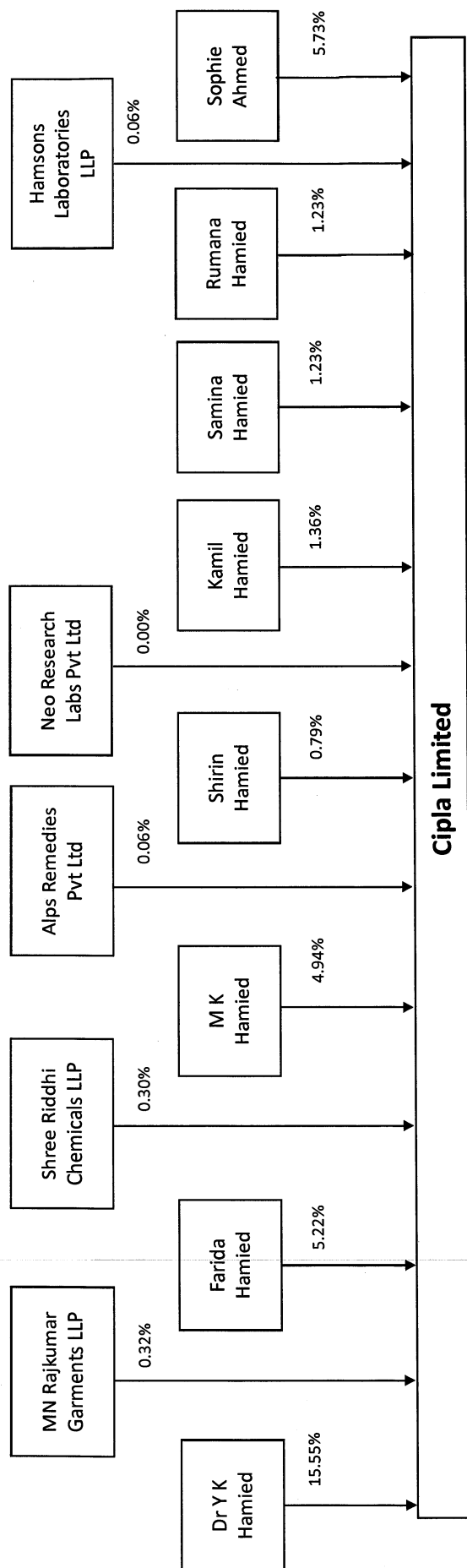
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Schedule 1

**LATEST SHAREHOLDING PATTERN**

Name of the persons / entities forming part of Promoter and Promoter Group of Cipla Limited	Number of Equity Shares owned	% shareholding of Cipla Limited
<b>Promoters</b>		
Dr. Y. K. Hamied	124827750	15.55%
M. K. Hamied	39690000	4.94%
<b>Promoter Group</b>		
Farida Hamied	41914937	5.22%
Sophie Ahmed	45982000	5.73%
Shirin Hamied	6363000	0.79%
Kamil Hamied	10939500	1.36%
Samina Hamied	9859500	1.23%
Rumana Hamied	9886500	1.23%
MN Rajkumar Garments LLP	2601852	0.32%
Shree Riddhi Chemicals LLP	2434970	0.30%
Alps Remedies Private Limited	492985	0.06%
Hamsons Laboratories LLP	492602	0.06%
Neo Research Labs Private Limited	382	0.00%
<b>Total</b>	<b>295485978</b>	<b>36.80%</b>

**SCHEDULE 2**  
**SHAREHOLDING PATTERN OF THE PROMOTERS AND PROMOTER GROUP**



Schedule 3

**DRAFT OF PROPOSED AGREEMENT**

**DRAFT OF PROPOSED SHAREHOLDERS AGREEMENT**

THIS **SHAREHOLDERS AGREEMENT** (this "**Agreement**") is made as of

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**BETWEEN:**

1. **DR. YUSUF K. HAMIED**, having his address at Windsor Villa, West Field Estate, Bhulabhai Desai Road, Mumbai 400 026 (hereinafter referred to as "**YKH**") which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his legal heirs, executors and administrators) of the **FIRST PART**;
2. **MR. MUSTAFA K. HAMIED**, having his address at Flat No. 1C, Somerset Place, Sophia College Lane, Bhulabhai Desai Road, Mumbai 400 026 (hereinafter referred to as "**MKH**") which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his legal heirs, executors and administrators) of the **SECOND PART**;
3. **MS. FARIDA HAMIED**, having her address at Windsor Villa, West Field Estate, Bhulabhai Desai Road, Mumbai 400 026 (hereinafter referred to as "**FH**") which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include her legal heirs, executors and administrators) of the **THIRD PART**;
4. **MS. SHIRIN HAMIED**, having her address at Flat No. 1C, Somerset Place, Sophia College Lane, Bhulabhai Desai Road, Mumbai 400 026 (hereinafter referred to as "**SH**") which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include her legal heirs, executors and administrators) of the **FOURTH PART**;
5. **MR. KAMIL HAMIED**, having his address at Flat No. 1C, Somerset Place, Sophia College Lane, Bhulabhai Desai Road, Mumbai 400 026 (hereinafter referred to as "**KH**") which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his legal heirs, executors and administrators) of the **FIFTH PART**;
6. **MS. SAMINA VAZIRALLI**, having her address at Flat No. 401/402, 4th Floor, Ramkrishna Sadan, Plot No. 63, Sir Pochkanwala Road, Worli, Mumbai 400 030 (hereinafter referred to as "**SV**") which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include her legal heirs, executors and administrators) of the **SIXTH PART**; and
7. **MS. RUMANA HAMIED**, having her address at Flat No. 3C, Somerset Place, Sophia College Lane, Bhulabhai Desai Road, Mumbai 400 026 (hereinafter referred to as "**RG**") which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include her legal heirs, executors and administrators) of the **SEVENTH PART**; and

8. **ALPS REMEDIES PRIVATE LIMITED**, a private company incorporated under the provisions of the laws of India, having its address at 12 Gunbow Street, Fort, Mumbai 400001 (hereinafter referred to as "**Alps**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors) of the **EIGHTH PART**; and
9. **M.N. RAJKUMAR GARMENTS LLP**, a limited liability partnership incorporated under the provisions of the laws of India, having its address at 12 Gunbow Street, Fort, Mumbai 400001 (hereinafter referred to as "**MN Rajkumar**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors) of the **NINTH PART**; and
10. **HAMSONS LABORATORIES LLP**, a limited liability partnership incorporated under the provisions of the laws of India, having its address at 12 Gunbow Street, Fort, Mumbai 400001 (hereinafter referred to as "**Hamsons**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors) of the **TENTH PART**; and
11. **SHREE RIDDHI CHEMICALS LLP**, a limited liability partnership incorporated under the provisions of the laws of India, having its address at 12 Gunbow Street, Fort, Mumbai 400001 (hereinafter referred to as "**Shree Riddhi**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors) of the **ELEVENTH PART**; and
12. **NEO RESEARCH LABS PRIVATE LIMITED**, a private company incorporated under the provisions of the laws of India, having its address at 12 Gunbow Street, Fort, Mumbai 400001 (hereinafter referred to as "**Neo**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors) of the **TWELFTH PART**.

YKH, MKH, FH, SH, KH, SV and RG are hereinafter collectively referred to as the "**Hamied Family**". Alps, MN Rajkumar, Hamsons, Shree Riddhi and Neo are hereinafter individually referred to as an "**Entity**" and collectively referred to as the "**Entities**". Each constituent of the Hamied Family and the Entities is hereinafter individually referred to as a "**Party**" and the Hamied Family and the Entities are collectively referred to as the "**Parties**".

**WHEREAS:**

- A. The Parties own shares in Cipla Limited ("**Company**") and have been and are being disclosed as, among others, forming part of the "Promoter Group" in respect of the Company in the filings made by the Company with the stock exchanges on which its shares are listed. The Parties have, prior to the date of this agreement, exercised their voting rights in respect of the Company jointly.

- B. The Parties own and hold the Shares in various demat accounts (some accounts of which currently bear the names of more than one Party). Further, SV and RG own and hold the shares in their maiden names, *i.e.*, Samina Hamied and Rumana Hamied, respectively, and that this Agreement is intended to cover all the Shares held in these demat accounts.
- C. Pursuant to discussions in this regard, the Parties wish to record by this Agreement their broad understanding in respect of the manner in which the Parties will (i) exercise their votes in respect of the Company, (ii) transfer of Shares owned by them, and (iii) explore options available to them to put in place a long-term arrangement for the ownership of the Cipla Shares by the Hamied Family.

**NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND PROMISES CONTAINED HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AND THIS AGREEMENT WITNESSETH AS UNDER:**

## **1 DEFINITIONS AND INTERPRETATION**

### **1.1 Definitions**

In this Agreement, the following terms, to the extent not inconsistent with the context thereof or otherwise defined herein, shall have the following meanings assigned to them:

**“Acceptance Notice”** shall have the meaning ascribed to it in Clause 4.4.

**“Accepting Party”** shall have the meaning ascribed to it in Clause 4.6.

**“Act”** means the Companies Act, 1956, as amended from time to time and includes any re-enactment thereof, including the Companies Act, 2013, as notified, with effect from the date of such notification in the official Gazette of India;

**“Affiliate”** shall mean with respect to each of the Parties, any Relative, any company, corporation, association or other entity, which, directly or indirectly, controls, is controlled by or is under common control with any Party. **“Control”** shall mean, as applied to any Person, the power or right to, directly or indirectly (i) direct or cause the direction of the management of that Person; (ii) direct or cause the direction of the policy decisions exercisable by that Person; or (iii) nominate for appointment the majority of the directors on the board of directors of that Person, by virtue of ownership of voting securities or management rights or contract or in any other manner;

**“Agreement”** shall mean this Shareholders Agreement.

**“Board Meeting”** shall have the meaning ascribed to it in Clause 3.1.

**“Company”** shall have the meaning ascribed to it in Recital A.

**“Confidential Information”** shall have the meaning ascribed to it in Clause 8.1.

**“Deed of Adherence”** means a deed of adherence in the format set out in **Annexure “A”** to this Agreement.

**“Dispute”** shall have the meaning ascribed to it in Clause 7.1.

**“Entities”** shall have the meaning ascribed to it in the Preamble.

**“General Meeting”** shall have the meaning ascribed to it in Clause 3.1.

**“Hamied Family”** shall have the meaning ascribed to it in the Preamble.

**“MA Rules”** shall have the meaning ascribed to it in Clause 3.3.

**“Notification Period”** shall have the meaning ascribed to it in Clause 4.4.

**“Party”** shall have the meaning ascribed to it in the Preamble.

**“Person”** shall include an individual, an association, a corporation, a partnership, a joint venture, a trust, an unincorporated organisation, a joint stock company or other entity or organisation, including a government or political subdivision, or an agency or instrumentality thereof and/or any other legal entity.

**“Refusal Notice”** shall have the meaning ascribed to it in Clause 4.4.

**“Relative”** has the meaning ascribed to it under the Act.

**“Shares”** shall mean the equity shares of the Company with face value of Rs.2/- (Rupees Two only).

**“Transfer”** shall mean to sell, gift, give, assign, transfer, transfer any interest in trust, mortgage, alienate, hypothecate, pledge, encumber, grant a security interest in, amalgamate, merge or suffer to exist (whether by operation of Law or otherwise) any Encumbrance on, any Shares or any right, title or interest therein or otherwise dispose of in any manner whatsoever voluntarily, and will include a buyback of Shares by the Company.

**“Transfer Price”** shall have the meaning ascribed to it in Clause 4.3.

**“Transfer Shares”** shall have the meaning ascribed to it in Clause 4.3.

**“Transfer Terms”** shall have the meaning ascribed to it in Clause 4.3.

**“Transferring Party”** shall have the meaning ascribed to it in Clause 4.3.

**“Waiver Notice”** shall have the meaning ascribed to it in Clause 4.4.

## 1.2 Interpretation

- 1.2.1 The recitals to this Agreement shall form an integral and operative part of this Agreement.
- 1.2.2 Unless the context otherwise requires, words importing the singular include the plural and vice versa, and pronouns importing a gender include each of the masculine, feminine and neuter genders.
- 1.2.3 Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment of such provisions or statutes (whether before or after the date of this Agreement) for the time being in force, and to all statutory instruments or orders made pursuant to such statutory provisions.

## 2 **COORDINATED VOTING**

- 2.1 It is the intention of the Parties to have a coordinated approach and to act as a single unit for the purposes of exercising their voting rights in the Company. For effectuating this purpose, the Parties hereby agree and undertake to act jointly in that respect as a single unit, subject to and under the overall direction and supervision of YKH during his lifetime, and MKH after the demise of or upon the incapacity of YKH to act.
- 2.2 After the demise of both YKH and MKH or both of them being incapacitated, the Hamied Family shall act jointly in respect of voting with respect to the Company as a single unit subject to and under the overall direction and supervision of the member of the Hamied Family who owns the highest number of Shares.

## 3 **EXERCISE OF VOTING RIGHTS**

- 3.1 The Parties jointly undertake to ensure that they, their authorised representatives and proxies representing them at the meetings of the board of directors of the Company ("**Board Meeting**") and general meetings of the shareholders of the Company ("**General Meeting**"), shall at all times exercise their votes as set out in Clause 2 above and act in such a manner so as to comply with, and to fully and effectually implement the spirit, intent and specific provisions of this Agreement. It is clarified that any reference to exercise of votes will also necessarily include e-voting and voting by postal ballot, and the Parties agree that they will execute all necessary documents, and do all acts as may be required in this regard.
- 3.2 Each of the Parties hereby agrees and undertakes to take all actions necessary to give effect to the provisions of this Agreement and to act in accordance with the terms of this Agreement.
- 3.3 YKH, who currently individually holds and owns Shares representing 15.55% (Fifteen point Fifty Five Percent) of the equity share capital in the Company, shall exercise his voting rights at any General Meeting, either directly or by way of proxy, appointed under Form No. MGT-11 as set out in the Companies (Management and Administration) Rules, 2014 ("**MA Rules**"). YKH, if he is not attending the General Meeting for any reason whatever, may authorise and nominate another person to attend and vote in his stead, and, in the absence



of any such nomination, MKH will be deemed to be his authorised representative and/or proxy, and if MKH is unable to so act, then YKH shall nominate KH to so act, and in the absence of any such nomination, KH will be deemed to be his authorised representative and/or proxy.

- 3.4 FH, SV and the Entities currently collectively own and hold Shares representing approximately 7.20% (Seven point Twenty Percent) of the equity share capital in the Company, and they collectively agree to appoint YKH as their respective authorised representative and/or proxy, to vote in all General Meetings. In this regard, they will each execute all necessary deeds and documents including Form No. MGT-11 as set out in the MA Rules. FH, SV and the Entities, in furtherance of this provision, agree to renew their authorised representative and/or proxy for each General Meeting, as may be required in accordance with the Companies Management and Administration Rules, without any delay, demur or protest.
- 3.5 In the event that YKH is unable to act as authorised representative and/or proxy pursuant to Clause 3.4 for any reason, then FH, SV and the Entities shall appoint KH as their authorised representative and/or proxy for that General Meeting. In the absence of any such nomination, KH will be deemed to be the authorised representative and/or proxy of FH, SV and the Entities pursuant to this Clause 3.5, and if KH is unable to so act, then FH and the Entities shall nominate SV to so act, and in the absence of any such nomination, SV will be deemed to be the authorised representative and/or proxy at such General Meeting (and SV shall additionally exercise her voting rights at such General Meeting directly). The provisions of Clause 3.4 above, in so far as they are not inconsistent herewith, shall *mutatis mutandis*, apply to the nomination of KH and / or SV, as the case may be.
- 3.6 MKH, SH, KH and RG currently collectively own and hold Shares representing approximately 8.33% (Eight point Thirty Three Percent) of the equity share capital in the Company, and SH, KH and RG collectively agree to appoint MKH as their respective authorised representative and/or proxy, to vote in all General Meetings (and MKH shall additionally exercise his voting rights at such General Meeting directly). In this regard, they will each execute all necessary deeds and documents including Form No. MGT-11 as set out in the MA Rules. SH, KH and RG, in furtherance of this provision, agree to renew their authorised representative and/or proxy for each General Meeting, as may be required in accordance with the Companies Management and Administration Rules, without any delay, demur or protest.
- 3.7 In the event that MKH is unable to act as authorised representative and/or proxy pursuant to Clause 3.6 for any reason, then MKH, SH, KH and RG shall appoint SV as their authorised representative and/or proxy for that General Meeting. In the absence of any such nomination, SV will be deemed to be their authorised representative and/or proxy of MKH, SH, KH and RG pursuant to this Clause 3.7, and if SV is unable to so act, then MKH, SH, and KH shall nominate RG to so act, and in the absence of any such nomination, RG will be deemed to be the authorised representative and/or proxy at such General Meeting (and RG shall additionally exercise her voting rights at such General Meeting directly). The provisions of Clause 3.4 above, in so far as they are not inconsistent herewith, shall *mutatis mutandis*, apply to the nomination of SV and / or RG, as the case may be.

- 3.8 The Entities shall appoint, and the Parties shall ensure and procure that the Entities appoint, such person/persons set out in Clauses 3.3 to 3.7 above as their respective authorised representative(s) and/or proxy(ies), to vote in all General Meetings. In this regard, they will execute all necessary deeds and documents including Form No. MGT-11 as set out in the MA Rules. In the event of changes in the number of Shares held by each of the members of the Hamied Family or any other event which results in the provisions set out in Clauses 3.3 to 3.7 becoming incapable of performance, then the Parties shall appoint such person/persons nominated by (i) YKH, and (ii) after the demise or incapacitation of YKH, MKH, and (iii) after the demise or incapacitation of both YKH and MKH, the member of the Hamied Family who owns the highest number of Shares; as their respective authorised representative(s) and/or proxy(ies).

#### 4 TRANSFER OF SHARES

- 4.1 No Party shall, directly or indirectly, Transfer any Shares held by them except as specifically set out in this Agreement. Further, each Party shall procure and ensure that none of his respective Affiliates shall, directly or indirectly, Transfer any Shares held by any of them except as specifically set out in this Agreement.
- 4.2 A Party is permitted to Transfer Shares held by him (or by his Affiliates) to an Affiliate. Provided that any Affiliate to whom Shares are Transferred shall executed a Deed of Adherence and comply with the provisions of this Agreement, on and from the date of the Transfer of Shares to such Affiliate.
- 4.3 If any Party ("**Transferring Party**") wishes to transfer the Shares held by him ("**Transfer Shares**") to another Person (other than those set out in Clause 4.2), the Transferring Party shall first offer to Transfer the Transfer Shares to the members of the Hamied Family by providing a written notice to all the members of the Hamied Family ("**Transfer Notice**") which shall contain (i) the number of Transfer Shares proposed to be transferred; and (ii) the price for the Transfer Shares calculated in accordance with Clause 4.12 ("**Transfer Price**") and other material terms on which the Transfer Shares are proposed to be sold ("**Transfer Terms**").
- 4.4 Within 30 days following receipt of the Transfer Notice by the members or the Hamied Family ("**Notification Period**"), the members of the Hamied Family shall be entitled to notify to the Transferring Party by way or a written notice, either (i) his acceptance of the Transfer Terms and the exercise of his right to purchase all of the Transfer Shares ("**Acceptance Notice**"); or (ii) his refusal to exercise his right to purchase the Transfer Shares ("**Refusal Notice**"); (iii) or that he waives his right of first refusal ("**Waiver Notice**").
- 4.5 If all of the members of the Hamied Family either send Waiver Notices or Refusal Notices, or fail to issue an Acceptance Notice, Waiver Notice or a Refusal Notice within the Notification Period (in which case the members of the Hamied Family shall be deemed to have waived their right of first refusal), then the provisions of Section 4.13 shall apply.

- 4.6 If only one member of the Hamied Family issues an Acceptance Notice to the Transferring Party ("**Accepting Party**"), the Transferring Party shall be bound to sell all of the Transfer Shares to such member of the Hamied Family at the Transfer Price and on the Transfer Terms mentioned in the Transfer Notice.
- 4.7 If more than one member of the Hamied Family issues an Acceptance Notice to the Transferring Party, such that there is more than 1 (One) Accepting Party, and subject to any agreement between such Accepting Parties, the Transferring Party shall be bound to sell all of the Transfer Shares to such Accepting Parties pro rata to their existing shareholding or such other proportion as may be mutually decided between the relevant Accepting Parties and the Transferring Party in writing, at the Transfer Price and on the Transfer Terms mentioned in the Transfer Notice.
- 4.8 Subject to the terms of this Agreement and any specific directions or instructions mentioned in the Transfer Notice, (i) the Accepting Party shall be obligated to make payment for the Transfer Shares, and (ii) closing of the sale and purchase of the Transfer Shares between the Accepting Party and the Transferring Party, shall occur within a maximum period of 1 (One) Month from the date of the Acceptance Notice at a time and place mutually acceptable to the Accepting Party and the Transferring Party.
- 4.9 In the event that the Transfer Shares comprise more than 1 (One Percent)% of the total paid-up share capital of the Company, then time period for the Accepting Party to make payment as set out in Clause 4.8(i) above shall be extended to a period of 9 (Nine) Months.
- 4.10 In the event that any one or more Accepting Parties elect to acquire the Transfer Shares from the Transferring Party, the Accepting Parties shall notify the Transferring Party of the same.
- 4.11 The Transferring Party and the Accepting Party(ies) shall enter into discussions to arrive at a mutually acceptable agreement as regards the transfer of the Transfer Shares from the Transferring Party to the Accepting Party(ies) in accordance with the timelines set out in Clauses 4.8 and 4.9. In the event that the Transferring Party and the Accepting Party(ies) are unable to arrive at a mutually acceptable agreement in this regard, the Transferring Party shall be free to transfer the Transfer Shares to any Person.
- 4.12 In the event that that the Transfer Shares comprise 10,000 (Ten Thousand) Shares or less, then the Transfer Price shall be deemed to be the average of the weekly high and low of the closing prices of the Shares quoted on the Bombay Stock Exchange during the 2 (Two) weeks preceding the date of the Transfer Notice. In the event that that the Transfer Shares comprise more than 10,000 (Ten Thousand) Shares, then the Transfer Price shall be deemed to be the fair market value of the Transfer Shares as determined by any one of (i) Deloitte Touche Tohmatsu; (ii) KPMG; (iii) Price Waterhouse Coopers; or (iv) E&Y; or any of their respective Indian Affiliates or associates, who shall be elected by the Transferring Party, in his sole discretion.

- 4.13 In the circumstances mentioned in Clause 4.5 above, the Transferring Party shall be permitted to offer to any Person (except a competitor of the Company) the Transfer Shares which have not been bought by any the members of the Hamied Family to whom they were originally offered in accordance with the procedure mentioned in this Clause 4, at the Transfer Price and on the Transfer Terms.
- 4.14 In the event that any transfer of the Transfer Shares is completed or not completed as envisaged under this Clause 4, the Transferring Party shall not be eligible to transfer any of his Shares for a period of 6 (six) months from the date of the Transfer Notice.

## **5 TRANSMISSION OF SHARES**

It is agreed among the Parties that, upon the death of any member of the Hamied Family, the Cipla Shares owned by such Party shall devolve in accordance with the last will and testament of such Party, or, if such Party has died intestate, in accordance with operation of law. Furthermore, it is expressly agreed that if any relatives of the members of the Hamied Family inherit any Shares, then, in accordance with the intent of the Parties, all such relatives shall be bound by the terms of this Agreement as they were parties hereto. Furthermore, such relatives shall execute, as soon as may be practicable, a Deed of Adherence.

## **6 INTENT TO ADOPT A FAMILY HOLDING STRUCTURE**

- 6.1 The Parties are exploring the option of adopting a long-term and sustainable arrangement for the ownership of the Shares by the Parties and the governance of the Company and to this end they shall, in good faith:
- 6.1.1 explore options for various structures and arrangements for consolidating the shareholdings of the Hamied Family in the Company.
- 6.1.2 appoint (if mutually agreed) common advisors, including professionals with legal, financial and management expertise in this regard.

## **7 GOVERNING LAW AND RESOLUTION OF DISPUTES**

- 7.1 This Agreement, including this Clause 7, will be construed and enforced in accordance with the terms and conditions set forth in this Agreement, and the laws of India, without regard to its rules or procedures involving conflicts of laws.
- 7.2 During the lifetime of YKH, the Parties agree that if any dispute arises during the subsistence of this Agreement or thereafter, in connection with any matter or issue arising out of or connected with this Agreement ("**Dispute**"), then:
- 7.2.1 If the Dispute is between Parties other than YKH, the same shall be referred to YKH and resolved in accordance with his directions in this regard, which shall be final and binding on all Parties. The Parties shall abide by all decisions made by YKH in terms of this Agreement.

7.2.2 If the Dispute is between YKH (and/or a Party or Parties) on the one hand and a Party or Parties on the other hand, the same shall be referred to an independent sole arbitrator appointed by YKH for arbitration of the Dispute under the provisions of the Arbitration and Conciliation Act, 1996, and resolved in accordance with his directions in this regard, which shall be final and binding on all Parties.

7.3 After the demise of or in the event of any incapacity of YKH, any Disputes between the Parties shall be resolved in the manner set out in Clause 7.1 above, except that all references to YKH shall be replaced with references to MKH.

7.4 After the demise of or in the event of any incapacity of both YKH and MKH, any Disputes between the Parties shall be resolved in the manner set out in Clause 7.1 above, except that all references to YKH shall be replaced with references to the member of the Hamied Family who owns the highest number of Shares.

## 8 CONFIDENTIALITY

8.1 Each of the Parties agree not to disclose any information in relation to the existence of this Agreement, matters contemplated by this Agreement or its performance or in any agreement in furtherance of the performance of this Agreement ("**Confidential Information**"), to any Person, except as set out in this Clause 8.

8.2 Clause 8.1 shall not prohibit disclosure or use of any information if and to the extent that:

8.2.1 the disclosure is required by applicable law, any governmental authority having jurisdiction over the disclosing Party or the rules and regulations of any recognized stock exchange on which the securities of the disclosing Party or any of its Affiliates are listed;

8.2.2 the disclosure or use is required for the purpose of any judicial proceedings arising out of this Agreement or any other agreement entered into under or pursuant to this Agreement or the disclosure is reasonably required to be made to a governmental authority in connection with the taxation affairs of the disclosing Party;

8.2.3 the disclosure is made to professional advisers of the disclosing Party on terms that such professional advisers accept such information under a duty of confidentiality; or

8.2.4 the information becomes publicly available (other than by a breach of this Clause 8.1).

## 9 MISCELLANEOUS PROVISIONS

### 9.1 Amendments

No modification or amendment of this Agreement and no waiver of any of the terms or conditions hereof shall be valid or binding unless made in writing and duly executed by all the Parties.

## 9.2 **Assignment**

This Agreement and the rights and liabilities hereunder shall bind and inure to the benefit of the respective successors of the Parties hereto, but no Party hereto, shall assign or transfer any of its rights and liabilities hereunder to any other person without the prior written consent of the other Parties which shall not be unreasonably withheld.

## 9.3 **Entire Agreement**

This Agreement constitutes the entire Agreement among the Parties with respect to the subject matter herein and supersedes and cancels any prior oral or written agreement, representation, understanding, arrangement, communication or expression of intent relating to the subject matter of this Agreement.

## 9.4 **Further Assurances**

Each of the Parties shall, at all times, act in good faith in the discharge of their obligations under this Agreement and not do anything which would constitute a contravention of its terms. Each Party shall do all such acts, deeds and things and execute all such deeds, documents and writings as may be necessary for the consummation of the transactions set out in this Agreement in the manner contemplated hereunder.

## 9.5 **Severability**

If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid, unenforceable or prohibited to any extent by Applicable Law, this Agreement shall be considered divisible as to such provision and such provision shall be inoperative and shall not be part of the consideration moving from any Party hereto to the other(s), and the remainder of this Agreement and the application of such provision to Persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each provision of this Agreement shall be valid, enforceable and binding and of like effect to the fullest extent permitted by Applicable Law. In the event any provision of this Agreement is held to be invalid or unenforceable, the Parties shall mutually discuss to arrive at a provision which is valid and enforceable and most nearly reflects the original intent of the unenforceable provision.

## 9.6 **Specific Performance**

The Parties agree that damages may not be an adequate remedy and the Parties shall be entitled to an injunction, restraining order, right for recovery, suit for specific performance or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the other Parties hereto from committing any violation or enforce the performance of the covenants, representations and obligations contained in this Agreement. These injunctive remedies are cumulative and are in addition to any other rights and remedies the Parties may have at law or in equity, including a right for damages.

9.7 **Counterparts**

This Agreement may be executed in any number of separate counterparts, each of which is an original but all of which taken together shall constitute one and the same instrument. The delivery of signed counterparts by electronic mail in "portable document format" (".pdf") shall be as effective as signing and delivering the counterpart in person.

9.8 **No Waiver**

No failure to exercise and no delay in exercising on the part of any of the Parties any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

*[remainder of this page intentionally left blank; signature pages follow]*

IN WITNESS WHEREOF THE PARTIES HERETO HAVE SET AND SUBSCRIBED THEIR  
RESPECTIVE HANDS TO THESE PRESENTS ON THE DAY, MONTH AND YEAR  
HEREINABOVE WRITTEN

Signed and delivered by <b>DR. YUSUF. K. HAMIED</b>	
Signed and delivered by <b>MR. M. K. HAMIED</b>	
Signed and delivered by <b>MS. SHIRIN HAMIED</b>	
Signed and delivered by <b>MR. KAMIL HAMIED</b>	
Signed and delivered by <b>MS. SAMINA VAZIRALLI</b>	
Signed and delivered by <b>MS. RUMANA HAMIED</b>	
Signed and delivered by <b>MS. FARIDA HAMIED</b>	



Signed and delivered by <b>ALPS REMEDIES PRIVATE LIMITED</b>	
Signed and delivered by <b>M.N. RAJKUMAR GARMENTS LLP</b>	
Signed and delivered by <b>HAMSONS LABORATORIES LLP</b>	
Signed and delivered by <b>SHREE RIDDHI CHEMICALS LLP</b>	
Signed and delivered by <b>NEO RESEARCH LABS PRIVATE LIMITED</b>	

## ANNEXURE "A"

### Format of Deed of Adherence

This **DEED OF ADHERENCE** dated [●] (this "**Deed**") is made and entered into among:

[●], having his address at [●] (hereinafter referred to as "**Transferee**" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his legal heirs, executors and administrators) of the **ONE PART**;

**AND**

[Insert names of existing parties to the Agreement], (hereinafter collectively referred to as "**Original Parties**" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include each of their respective legal heirs, executors and administrators) of the **OTHER PART**;

### **WHEREAS**

- A. This Deed is supplemental to the shareholders agreement dated [●] executed *inter alia* between the Original Parties (the "**Agreement**").
- A. The Transferee has acquired Shares and the Transferee is now executing this Deed as required under the Agreement.

### **NOW, THEREFORE THIS DEED WITNESSETH AS FOLLOWS:**

#### **1. Consent to the terms of the Agreement**

- (i) The Transferee covenants, undertakes and agrees with the Original Parties and the Original Parties hereby agree that by execution of this Deed, the Transferee shall become a party to the Agreement, and that he shall be subject to the rights, duties and obligations of any nature whatsoever to a Party under the Agreement.
- (ii) The Transferee hereby confirms that he has received a copy of the Agreement and that all provisions relating to his rights, duties and obligations of any nature whatsoever under the Agreement are incorporated by reference herein and deemed to be part of this Deed to the same extent as if such provisions had been set forth in their entirety herein.

#### **2. Definitions**

Capitalized terms used in this Deed but not defined herein shall have the meanings ascribed to them in the Agreement.

[EXECUTION BLOCK]