



LONG TERM INCENTIVE PLAN

PLAN RULES

iSelect Limited
ACN 124 302 932

iSELECT LIMITED LONG TERM INCENTIVE PLAN**PLAN RULES****INTRODUCTION**

This Plan is established for the benefit of employees of iSelect Limited and its subsidiaries to assist in the retention and motivation of employees of the Group and in order to produce a better and more productive workplace, improve business performance and provide financial benefits for employees aligned to the rewards experienced by shareholders, through;

- > providing for participation in employee share plans established for the benefit of Group employees; and
- > providing those employees with the opportunity to participate in the profits and growth of the Company through participation in such employee share plans.

1 INVITATION TO PARTICIPATE

1.1 Invitation

- (a) The Board may, from time to time, at its absolute discretion, issue written offers (in such form as the Board decides from time to time) to Eligible Employees, inviting them to apply to acquire Shares and for a loan to finance the acquisition of those Shares on such terms and conditions as the Board determines.
- (b) Unless the Board determines otherwise, where a written offer is made in respect of tranches of Shares, each tranche will be financed by a separate and independent Loan for the purposes of these Rules.
- (c) An Eligible Employee who receives an offer may elect to participate in the Plan by completing and returning the Application attached to the offer letter within the period specified in the offer letter.
- (d) By completing an Application, the Eligible Employee agrees to be bound by the Rules, any additional terms specified in the offer (including the terms of the Loan) and, upon being allocated a Share, to become a shareholder in the Company (including to be bound by the constitution of the Company) in accordance with these Rules.

1.2 Information to be provided

The Board will advise each Eligible Employee to whom an offer is made of the following information:

- (a) the number of Shares and/or maximum amount of the Loan being offered;
- (b) the date and time by which Applications must be received by the Company;
- (c) the terms of the Loan;
- (d) details of any Conditions and applicable Period;

- (e) the time or times at which any Conditions will be tested in respect of the Period (at which time Shares may vest);
- (f) the circumstances in which Shares will be forfeited; and
- (g) any other relevant terms and conditions to be attached to the Loan or the Shares.

2 ACQUISITION OF SHARES AND ADVANCE OF LOAN

2.1 Application for and allocation of Shares

- (a) The Board may, in its complete discretion, accept or reject an Application by an Eligible Employee. Without limiting the power of the Board, it will reject an Application where notice is given to terminate the employment of an Eligible Employee between the date of an offer being made and the Allocation Date.
- (b) Where the Board accepts a valid Application to acquire Shares, the Company will advance, or procure the advance of the loan specified in the offer to the Eligible Employees and, at their direction, apply that loan in acquiring the number of whole Shares (disregarding any fractional entitlements) determined by dividing the loan by the Acquisition Price.
- (c) The Shares allocated will be held subject to the Rules and any other relevant Conditions specified in the offer letter sent to the Participant.
- (d) The terms upon which a trustee (appointed pursuant to a trust deed between the Company and trustee) may hold any Unallocated Shares will be determined by the Company.

2.2 Entitlements and benefits

- (a) Any Shares allocated under the Plan will rank equally in all respects with other ordinary shares in the Company for the time being on issue, except where Shares are issued for the purposes of the Plan, with regards to any rights attaching to such Shares by reference to a record date (if applicable) prior to the date of their issue.
- (b) The Participant will, from the Allocation Date, be entitled to receive notices issued to shareholders by the Company and, subject to rule 2.4, receive dividends. However, unless the Board determines otherwise, until the Shares vest, the Participant will not be entitled to exercise any voting rights on the Shares (notwithstanding that the Shares may be registered in the Participant's name).
- (c) Until the Loan is repaid, the rights and entitlements attaching to the Shares must be exercised in accordance with the Rules and any other relevant Conditions specified in the offer letter sent to the Participant.

2.3 Conditions

- (a) The Board may, in its discretion, include one or more performance or service conditions as a term of the acquisition of Shares, or tranche of Shares, which must be satisfied before the interest of the Participant in those Shares vests and, if not satisfied, will result in the Shares being forfeited.

- (b) Where a Condition is included as a term of the acquisition of Shares in accordance with rule 2.3(a), the Condition will be satisfied and Shares will vest on the date on which the Board provides notice to the Participant of the positive results of testing of that Condition.

2.4 Repayment out of dividends

- (a) Unless the Board determines otherwise, any dividends to which a Participant may become entitled in respect of the Shares, and any other amounts determined by the Board, will be applied in making part repayment of the Loan in accordance with this rule 2.4 and, for that purpose, the Participant instructs the Company to apply that part of the dividend or amount not specified in rule 2.4(b) towards part repayment of the Loan.
- (b) Where dividends are applied in part repayment of the Loan under rule 2.4(a), then the Participant is entitled to receive (or retain) that part of the dividend or amount that represents the estimate of the Participant's maximum net tax liability in relation to the dividend or amount.
- (c) For the purposes of rule 2.4(b), a Participant's maximum tax liability in relation to a dividend is as determined by the Board and notified to Participants from time to time.

3 NO DEALING IN SHARES

- (a) Subject to the Board agreeing otherwise, the Participant is not entitled to sell, transfer, mortgage, pledge, assign, alienate, create security over or otherwise deal with his or her interest in Unvested Shares.
- (b) A Participant may sell, transfer, mortgage, pledge, assign, alienate, create security over or otherwise deal with his or her interest in Vested Shares at any time prior to the date specified in rule 4.1(c) or rule 5.2, provided he or she:
 - (i) repays in full the Loan in respect of those Vested Shares prior to such dealing; or
 - (ii) sells or otherwise realises market value for at least such portion of Vested Shares in order to repay in full the outstanding Loan in respect of those Vested Shares, pursuant to such arrangements to be determined by the Board and notified to Participants from time to time.
- (c) The Board may implement any procedure it deems necessary or appropriate (including implementing a holding lock) to restrict the Participant from dealing with Shares while the Loan remains outstanding other than as permitted by this rule 3.

4 REPAYMENT OF THE LOAN

4.1 Repayment

- (a) Except as provided by rule 2.4 and rule 7, unless the Board determines otherwise, the Participant may not repay any amount of the Loan in respect of Unvested Shares.

- (b) Unless the Board determines otherwise, where Shares do not vest pursuant to rule 2.3 following testing of the Condition, or are forfeited and surrendered pursuant to rule 5.1(a), the Participant forfeits and surrenders to the Company's nominee all interest in those Shares, and:
 - (i) the Participant will have no entitlement to the proceeds from any sale or transfer of the forfeited Shares; and
 - (ii) Shares forfeited and surrendered pursuant to this rule will be considered to fully satisfy the Loan in respect of those Shares, and the Participant will have no further obligation in relation to such Loan.
- (c) Where Shares vest in accordance with rule 2.3(b) or as otherwise determined by the Board, a Loan made under the Plan in respect of those Vested Shares becomes repayable in accordance with the terms of the Loan notified pursuant to rule 1.2(c) or by such other date determined by the Board. If no term is specified pursuant to rule 1.2(c), such Loan becomes repayable on the five year anniversary of the Allocation Date.

4.2 Default

- (a) Where the Participant has not discharged a Loan by the date specified pursuant to rule 4.1(c) or rule 5.2, then, unless the Board in its absolute discretion determines otherwise, the Participant forfeits and surrenders to the Company's nominee all interest in the Shares to which that Loan relates.
- (b) Where a Participant forfeits and surrenders all interest in the Shares under rule 4.2(a), the Participant appoints the Company Secretary (or any other officer of the Company authorised by the Board for this purpose) as his or her attorney:
 - (i) to transfer title to the Shares into the name of the Company's nominee; or
 - (ii) where the Board exercises its discretion under rule 4.2(a) and determines that the Shares will not be forfeited, to sell or otherwise realise the value of the Shares and to apply the proceeds in the manner set out in rule 4.2(c).

For the avoidance of doubt:

- (i) the Participant will have no entitlement to the proceeds from any sale or transfer of the forfeited Shares; and
- (ii) Shares forfeited and surrendered pursuant to rule 4.2(a) will be considered to fully satisfy the Loan in respect of those Shares and the Participant will have no further obligation in relation to such Loan.
- (c) Where the Board exercises its discretion under rule 4.2(a) and determines that the Shares will not be forfeited, the Company's nominee will, as agent for the Participant, sell or otherwise realise the Shares for market value within a reasonable period after the date specified for the purpose of rule 4.1(c) and apply those funds:
 - (i) first in satisfying any costs incurred by the Company in selling the Shares;

- (ii) next in repaying the Loan on behalf of the Participant; and
 - (iii) in relation to any surplus funds, to the Participant.
- (d) For the avoidance of doubt:
 - (i) in the event of any shortfall in repaying the Loan as provided under rule 4.2(c), the Company (and any third party who provided the Loan) will not have any further recourse against the Participant; and
 - (ii) the Company has complete discretion in respect of the sale of the Shares under the Rules and will not be liable to the Participant in respect of the timing of, or any other circumstances relating to the sale of Shares under rule 4.2(c).

5 CEASING EMPLOYMENT

5.1 Unvested Shares

- (a) Except where the Board determines otherwise in a specific instance, where a Participant ceases to be an employee of the Group prior to the date that any Condition imposed pursuant to rule 2.3 is satisfied, the Participant forfeits and surrenders to the Company's nominee all interest in Unvested Shares and, for the avoidance of all doubt, the Participant will have no entitlement to the proceeds from any sale or transfer of the forfeited Shares.
- (b) Where the Board makes a determination in a specific instance pursuant to rule 5.1(a), without limiting its discretion, the Board may determine that some or all of a Participant's Shares vest (including on a pro rata basis) or that they remain subject to the terms on which they were originally granted. Unless the Board determines otherwise, a Participant forfeits and surrenders his or her interest in all remaining Unvested Shares.
- (c) The forfeiture and surrender of Unvested Shares pursuant to rule 5.1(a) or 5.1(b) is deemed to constitute full satisfaction of the Loan in respect of those forfeited Shares and the Participant will have no further obligation in relation to such Loan. In order to effect the forfeiture and surrender, the Participant appoints the Company Secretary (or any other officer of the Company authorised by the Board for this purpose) as his or her attorney.

5.2 Vested Shares

Subject to rule 8, where a Participant who has an outstanding Loan in respect of Vested Shares ceases to be an employee of the Group (for any reason), the Participant must, unless the Board determines otherwise, repay such outstanding Loan within 12 months from the date of cessation (failing which the provisions of rule 4.2 will apply). For the avoidance of doubt, the Participant may elect to repay their outstanding Loan by dealing with their Vested Shares in accordance with rule 3(b)(ii).

6 CAPITAL REORGANISATIONS, IPO AND BUSINESS DIVESTMENTS

6.1 Bonus shares and capital reorganisation

Unless the Board determines otherwise in a particular case, any shares issued to the Participant by the Company as:

- (a) bonus shares (ie issued out of capital for no consideration); or
- (b) a result of a reorganisation of the issued capital of the Company,

in relation to Shares during the period of the Loan will become subject to the provisions of the Plan (including any Conditions) as if they were shares originally allocated under the Plan.

6.2 Rights issues

The Board will determine in each case of a rights issue whether to offer, or procure a third party to offer, additional loan monies to assist a Participant who holds Shares pursuant to the Plan to take up their rights and will determine the basis on which such loans are to be issued. The Board may determine in its absolute discretion that no additional loans be made but that a Participant can elect to take up rights at his or her own cost.

6.3 Divestment of material business or subsidiary

- (a) Where the Company divests a business designated by the Board for this purpose as 'material', the Board may make special rules that apply to current Participants in relation to Shares held pursuant to the Plan (and any other entitlements or shares that may arise in relation to those Shares). Without limiting the Board's discretion, such rules may include:
 - (i) varying the Conditions applying to the Participant's Unvested Shares or the terms of the Loan to take into account the divestment of the business (if applicable);
 - (ii) mandating that any entitlements or shares allocated in respect of Shares be held on trust for a Participant and determining rules that may apply regarding the sale of any such entitlements or shares, the application of the proceeds of such sale (whether to part repayment of the Loan or otherwise) and special conditions applying generally to the repayment of the Loan;
 - (iii) deeming the Participant to remain a Group employee for a specific period (such that the Participant's Loan does not become repayable until the end of that period).
- (b) In order to bind a Participant, any special rules made under this rule 6.3 must be notified to a Participant pursuant to rule 9.2(b).

7 CHANGE OF CONTROL

- (a) In these Rules, a Change of Control Event means, in respect of the Company:

- (i) a person or entity, other than an associate (as defined in the Corporations Act) of the shareholder, who does not control the Company at the time the Plan is approved, either:
 - (A) becomes a legal or beneficial owner of; or
 - (B) becomes entitled to, acquires, holds or has an equitable interest in,
 - 50% or more of the issued capital of the company;
- (ii) a takeover bid (as defined in the Corporations Act) is made for the Company and:
 - (A) the Board resolves to recommend the bid; or
 - (B) the bid is declared unconditional;
- (iii) the Company applies to a court seeking that the court convene a meeting of shareholders to be held to vote on a proposed scheme of arrangement pursuant to which control of the majority of the shares in the Company may change;
- (iv) a Trade Sale; or
- (v) any other transaction or event is proposed that, in the opinion of the Board, may result in a person becoming entitled to exercise more than 50% control over the Company.

Each of paragraphs (i) to (v) above constitutes a separate and independent event giving rise to a Change of Control for the purposes of these Rules.

- (b) The Company must notify the Participant of a Change of Control event occurring within 7 days of becoming aware of the event.
- (c) If a Change of Control Event occurs prior to the date the Loan would become repayable under rule 4.1(c), then, unless the Board determines otherwise, all Shares vest as at the date of the Change of Control Event.
- (d) To the extent that the Participant's Shares vest in accordance with rule 7(c), or have otherwise vested pursuant to rule 2.3 but the Loan in respect of those Shares has not been repaid in accordance with rule 4.1(c), any outstanding Loan is repayable within the period specified by the Board by the Participant upon being notified of the Change of Control Event by the Company.
- (e) Where the Loan becomes repayable pursuant to rule 7(d) and the Participant has not made repayment of the Loan within the period reasonably determined by the Board, the Company's nominee will, as agent for the Participant, sell or otherwise realise the Shares for market value within a reasonable period and apply those funds:
 - (i) first in satisfying any costs incurred by the Company in selling the Shares;
 - (ii) next in repaying the Loan on behalf of the Participant; and

- (iii) in relation to any surplus funds, to the Participant.

8 CLAWBACK AND FRAUD OR BREACH OF DUTY

8.1 Clawback

Where, in the opinion of the Board:

- (a) Shares, which would not have otherwise vested, vest or may vest as a result directly or indirectly of:
 - (i) the fraud, dishonesty or breach of obligations (including, without limitation, a material misstatement of financial information) of any person; or
 - (ii) any other action or omission (whether intentional or inadvertent) of any person,

the Board may make a determination under this rule 8.1 to ensure that no unfair benefit is obtained by any Participant which may include, without limitation, a determination that the Participant's interest in any or all Shares is forfeited and surrendered and/or that the value that the Participant has derived from any Vested Shares is set off against any current or future fixed remuneration or annual bonuses owed to the Participant; or

- (b) Shares, which may otherwise have vested, have not vested as a result directly or indirectly of any circumstance referred to in paragraphs (a)(i) or (ii) above, the Board may reconsider the level of satisfaction of the applicable Conditions and reallocate and vest any Shares that may have lapsed, or undertake any other action, to the extent that the Board determines appropriate in the circumstances.

8.2 Fraud or breach by an individual Participant

Where, in the opinion of the Board, a Participant:

- (a) acts fraudulently or dishonestly in respect of this Plan, their employment or otherwise in connection with the Company;
- (b) is in breach of his or her obligations to the Group (including, for the avoidance of doubt, their employment arrangements);
- (c) commits an act which brings a member of the Group into disrepute; or
- (d) commits, or fails to perform, any other act reasonably and legitimately requested of the Participant in relation to these Rules or their employment,

the Board may make such determination as it considers appropriate, including that the Participant's interest in any or all Shares is forfeited and surrendered and/or that the value that the Participant has derived from any Vested Shares is set off against any current or future fixed remuneration or annual bonuses owed to the Participant.

9 GENERAL

9.1 Board powers

The Board has absolute and unfettered discretion in exercising any power or discretion concerning the Plan and may:

- (a) delegate to any person for the period and on the terms it decides the exercise of any of its powers or discretions under the Plan;
- (b) decide on appropriate procedures for administering the Plan, including the Application forms and any other forms and notices to be issued under the Plan;
- (c) in the event that a Participant's interest in Shares is, or is to be, forfeited and surrendered in accordance with these Rules, determine that the Shares be transferred to, or bought back by, the Company or its nominee (as appropriate), and / or that the Shares be cancelled and the Participant appoints the Company Secretary as his or her attorney to do all things necessary to give effect to such buy-back or cancellation;
- (d) amend, add to, vary, omit from or substitute any of the Rules to ensure compliance with the requirements of, or impact of, any law or regulation in any jurisdiction outside of Australia where offers are made. This rule applies notwithstanding anything in this Plan;
- (e) resolve conclusively all questions of fact or interpretation concerning the Plan and these Rules and any dispute of any kind that arises under the Plan;
- (f) subject to rule 9.2, amend, add to or waive any provision of the Plan (including this rule), or any restriction or other condition relating to the Loan or the Shares;
- (g) determine to cease operation of the Plan at any time and take any actions required to effect the winding up of the Plan;
- (h) act or refrain from acting at its discretion under the Rules or concerning the Plan or the Shares held under the Plan; and
- (i) waive any breach of a provision of the Plan.

9.2 Amendment of Rules

- (a) The Board may, at any time, amend, add to, vary, omit from or substitute any of these Rules, notwithstanding the terms of the Plan, by notice in writing to each Participant who holds Shares pursuant to the Plan, provided that such amendment may not materially reduce or otherwise prejudicially affect a Participant's rights in respect of Shares, other than an amendment introduced primarily:
 - (i) for the purpose of complying with or conforming to present or future laws, regulations or rules of a recognised securities exchange;
 - (ii) to correct any manifest error or mistake; or

- (iii) to take into consideration possible adverse tax implications arising from, amongst others, adverse rulings from the Commissioner of Taxation, changes to tax legislation (including an official announcement by the Commonwealth of Australia) and/or changes in the interpretation of tax legislation by a court or tribunal of competent jurisdiction.
- (b) The Company must provide written notification to a Participant who holds Shares pursuant to the Plan as soon as reasonably practicable after any amendment has been made to these Rules.

9.3 Notices

- (a) A notice or other communication under or concerning the Plan is validly given:
 - (i) by the Company to a Participant, if delivered personally to the addressee or sent by prepaid post to his or her last known residential address, or sent to him or her by facsimile or email at his or her place of work or posted on an electronic noticeboard maintained by the Company and accessible by the Participant; and
 - (ii) by an Participant to the Company if delivered or sent by prepaid post addressed to the Company Secretary at the Company's registered office (or any other address the Board specifies).
- (b) A notice or other communication sent:
 - (i) to the Company must be actually received by the Company by the date or within the period specified in the Rules or any written offer under rule 1.1 in order to be effective; and
 - (ii) by the Company to a Participant will be treated as being received immediately following the time it was sent, or where it is sent by post it will be treated as received 48 hours after it was posted.

9.4 Terms of employment not affected

- (a) The rights and obligations of a Participant under the terms of his or her office, employment or contract with the Company or a Group are not affected by his or her participation in the Plan.
- (b) Participation in the Plan will only be offered to any Group Participant at the absolute discretion of the Board. Offers are not guaranteed to be made annually under the Plan.
- (c) The Rules do not form part of, and will not be incorporated into, any contract of a Participant.
- (d) Nothing in these Rules:
 - (i) confers on any Participant the right to continue as an employee of the Group;
 - (ii) affects any rights which a member of the Group may have to terminate the employment of a Participant; or

- (iii) may be used to increase damages in any action brought against any member of the Group in respect of the termination of a Participant's employment.

9.5 Personal information

The Participant consents to the Company or its agents (and each of their related parties) collecting, holding and using personal information (including a Participant's tax file number) that the Participant provides in the application to participate in the Plan or otherwise provides to the Company or its agents (and each of their related parties) as part of their employment, in order to carry out the administration and operation of the Plan in accordance with these Rules, including providing relevant information to:

- (a) any other entity that manages or administers the Plan on behalf of the Company;
- (b) any broker or external service provider, including a tax or financial adviser;
- (c) the trustee of any employee trust;
- (d) any government department or body; and
- (e) any other person or body as required or authorised by law.

9.6 Miscellaneous

- (a) The Participant does not have any rights under this Plan to compensation or damages in consequence of the exercise by the Company of any right, power or discretion which results in the Participant ceasing to have title to the Shares.
- (b) Except as otherwise expressly provided in the Rules, the Board has absolute and unfettered discretion to act or refrain from acting under or in connection with the terms of the Plan and in the exercise of any power or discretion under the Rules.
- (c) Where the Board exercises its discretion under or in connection with the terms of the Plan or the Rules, such exercise of a discretion does not form part of, and will not be incorporated into, any contract of a Participant and does not guarantee that the Board will exercise its discretion in such a manner in the future.

9.7 Governing Law

The Rules and conditions of this Plan are governed by the laws of Victoria and the Commonwealth of Australia.

10 DEFINITIONS AND INTERPRETATION

10.1 Definitions

In this Plan:

Acquisition Price means such price (or formula for determining a price) as the Board determines;

Allocation Date means the date on which Shares are allocated to a Participant and a Loan is advanced to fund the acquisition of Shares under the Plan;

Application means an application to acquire Shares and for a Loan to finance the acquisition of those Shares following receipt of an offer from the Board;

Board means the board of directors of the Company or a committee appointed by the board of directors;

Change of Control has the meaning given to it in rule 7 of these Rules;

Company means iSelect Limited (ACN 124 302 932);

Condition means the performance or service condition(s) determined in accordance with rule 2.3;

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

Eligible Employee means an employee of any Group company or another person determined by the Board as eligible to participate in the Plan;

Group means the Company and its subsidiaries and any other entity declared by the Board to be a member of the group for the purposes of the Plan;

IPO means an initial public offering of shares in conjunction with a listing of the Company and quotation of the Shares on a recognised securities exchange;

Loan, in relation to each offer of Shares or tranche of Shares made pursuant to these Rules, means the lower of:

- (a) the amount of money advanced by the Company to the Participant, in relation to that offer, on the terms of the Plan less any amount repaid in accordance with rule 2.4 or rule 4.1(c); and
- (b) the aggregate market value of the Shares acquired with the original loan that are held by the Participant;

Participant means an Eligible Employee whose Application is accepted by the Board pursuant to rule 4.1 and is allocated Shares under the Plan;

Period means the period or periods over which the Conditions are measured as specified by the Board for the purposes of each offer;

Plan means the long term incentive plan set out in these Rules, subject to any amendments or additions made by the Board under rule 9.2;

Rules means these rules of the Plan, as amended from time to time;

Shares means the fully paid ordinary shares in the capital of the Company acquired by a Participant using the Loan advanced pursuant to an offer under the Plan;

Trade Sale means the sale of all or a substantial proportion (being, unless the Board determines otherwise, a purchase price for the business being equivalent to at least 50% of the current market capitalisation of the Company) of the business of the Company;

Unallocated Shares means any shares held by a trustee under rule 2.1(d) that have not been allocated to a Participant, or have been forfeited and surrendered to the trustee in accordance with these Rules;

Unvested Shares means Shares that remain subject to a Condition; and

Vested Shares means Shares that have vested under rule 2.3, following satisfaction of all Conditions included as a term of those Shares.

10.2 Interpretation

In this Plan, the following rules apply unless a contrary intention appears:

- (a) headings and boldings are for convenience only and do not affect the interpretation of these Rules and, unless the context requires otherwise;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) other parts of speech and grammatical forms of a word or phrase defined in these Rules have a corresponding meaning; and
- (e) any reference in the Plan to any enactment is a reference to that enactment (and to all regulations or instruments issued under an enactment) in force at the time that an invitation is made under the Plan unless expressed to the contrary in this Plan, determined otherwise by the Board pursuant to rule 9.1 or required at law.