

# Rules of Temple & Webster Group Ltd Performance Rights Plan

**Sydney**

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# 1 Definitions and interpretation

## 1.1 Definitions

In these Rules, unless the contrary intention appears:

**Accelerated Vesting Event** means the occurrence of:

- (a) a Special Circumstance in respect of a Participant; or
- (b) a Control Event.

**Applicable Law** means one or more, as the context requires of:

- (a) the Corporations Act;
- (b) Corporations Regulations;
- (c) the Tax Act;
- (d) the Tax Administration Act;
- (e) any other applicable practice note, policy statements, class order, declaration, guideline, policy, procedure, ruling or guidance note made to clarify or expand any of (a) to (d) above; and
- (f) the Constitution.

**Application Form** means the form that the Board determines is to be used by an Eligible Employee to make an offer to participate under the Plan.

**ASIC** means the Australian Securities and Investments Commission.

**Associated Company** means at any time any body corporate that at that time is a related body corporate of the Company within the meaning of section 50 of the Corporations Act.

**ASX Settlement Operating Rules** means the operating rules of ASX Settlement Pty Limited ACN 008 504 532.

**ASX** means ASX Limited ACN 008 624 691 or a market conducted by it (as the context requires).

**Board** means all or some of the Directors of the Company acting as a board or, where appropriate, a committee of the board.

**Bonus Issue** means a Pro Rata Issue of Shares to holders of Shares for which consideration is payable by them.

**Business Day** has the meaning given to that term in the Listing Rules.

**Certificate** means, with respect to an Option, a certificate issued under these Rules in the form approved by the Plan Committee from time to time.

**Company** means Temple & Webster Group Ltd ACN 608 595 660.

**Constitution** means the Company's constitution.

**Control** has the meaning given in section 50AA of the Corporations Act.

**Control Event** means any of the following:

- (a) an offer is made by a person for the whole of the issued ordinary share capital of the Company (or any part as is not at the time owned by the offeror or any

person acting in concert with the offeror) and after announcement of the offer the offeror (being a person who did not Control the Company prior to the offer) acquires Control of the Company;

- (b) any other event occurs which causes a change in Control of the Company; or
- (c) any other event which the Plan Committee reasonably considers should be regarded as a Control Event.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Corporations Regulations** means any and all regulations made under the Corporations Act.

**Date of Grant** means, in relation to a Right, the date on which the Rights are granted to the Participant.

**Director** means a person holding the office of director.

**Disposal Restrictions** means, in relation to a Share, the restrictions (if any, in addition to the restrictions under Rule 9) determined by the Plan Committee that must be satisfied before a Share delivered on vesting of the Right can be Disposed of by the Participant.

**Dispose** includes sell, assign, transfer, grant a Security Interest in or otherwise encumber.

**Eligible Employee** means an Employee selected by the Plan Committee to participate in the Plan.

**Employee** means any person who is a permanent full-time or permanent part-time employee of the Company or a Related Body Corporate of the Company (including a Director employed in an executive capacity).

**Group** means the Company and each Group Company.

**Group Company** means:

- (a) a Holding Company or Subsidiary of the Company; and
- (b) a Subsidiary of the Holding Company of the Company.

**Holding Lock** has the meaning given to it in Listing Rule 19.12.

**Legal Personal Representative** means the executor of the will or an administrator of the estate of a deceased person, the trustee of the estate of a person under a legal disability or a person who holds an enduring power of attorney granted by another person.

**Listing Rules** means the ASX Listing Rules.

**Market Price**, in relation to a Share, means:

- (a) if Shares are listed on the official list of ASX or any other stock exchange approved by the Board, the volume weighted average closing sale price of Shares sold on ASX or the other stock exchange (as applicable) over the last 5 trading days immediately before the relevant date; and
- (b) otherwise, the fair market value of a Share as determined by a valuation methodology approved by the Board having regard to all customary security valuation factors considered relevant to such a valuation, including

conducting the valuation on the basis of an arm's length transaction between an informed and willing seller and an informed and willing buyer under no compulsion to sell or buy, respectively, and without taking into account any Disposal Restrictions on the Shares.

**Official Quotation** has the meaning given to it in the Listing Rules.

**Participant** means an Eligible Employee who has been given an invitation by the Company to participate in the Plan and who has successfully applied to participate in the Plan.

**Performance Conditions** means, in relation to a Right, the performance hurdles (if any) determined by the Plan Committee that must be satisfied before the Right can vest and a Share be delivered.

**Plan** means the Temple & Webster Group Ltd Performance Rights Plan governed by these Rules.

**Plan Committee** means a committee established by the Board to which power to administer the Plan has been delegated or if there has been no delegation, the Board.

**Pro Rata Issue** means an issue which has been offered to all holders of Shares on a pro rata basis.

**Purpose** means, in relation to the collection of personal information as contemplated by Rule 22, the facilitation of the operation and the administration of the Plan.

**Record Date** has the meaning given to it in the Listing Rules.

**Redundancy** means the termination or cessation of a Participant's employment or office with the Company and all Group Companies due to a determination by that the need to employ a person for the particular kind of work carried out by that Participant has ceased (but, for the avoidance of any doubt, does not include the dismissal of any Participant for personal or disciplinary reasons or where the Participant leaves the employ of a Group Company of his or her own accord).

**Related Body Corporate, Subsidiary and Holding Company** each has the meaning given in section 9 of the Corporations Act.

**Right** means a right to one Share in accordance with these Rules and the terms set out in the Certificate (if any).

**Rules** means this document, including any schedule or annexure to it.

**Security Interest** means:

- (a) a mortgage, charge, assignment by way of security, pledge, lien, hypothecation, title retention arrangement, encumbrance or other third party interest of any nature;
- (b) any arrangement having a commercial effect equivalent to anything in (a); and
- (c) any agreement to create an interest described in (a) or an arrangement described in (b).

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share or Shares.

**Share Trading Policy** means the Company's trading policy with respect to Shares.

**Special Circumstance** means with respect to a Participant:

- (a) Total and Permanent Disablement;
- (b) death; and
- (c) Redundancy.

**Tax** includes any tax (direct or indirect), levy, impost, GST, deduction, charge, rate, contribution, duty or withholding which is assessed (or deemed to be assessed), levied, imposed or made by any government or any governmental, semi-governmental or judicial entity or authority together with any interest, penalty, fine, charge, fee or other amount assessed (or deemed to be assessed), levied, imposed or made on or in respect of any or all of the foregoing.

**Tax Act** means the *Income Tax Assessment Act 1936* (Cth) or the *Income Tax Assessment Act 1997* (Cth) or both, as the context requires.

**Tax Administration Act** means the *Taxation Administration Act 1953* (Cth).

**Total and Permanent Disablement** means, in relation to any Participant, that the Participant has, in the opinion of the Plan Committee (such opinion to be reasonably held), after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Participant unlikely ever to engage in any occupation for which he is reasonably qualified by education, training or experience.

**Vesting Conditions** has the meaning given in Rule 6.2.

**Vesting Date** means the date specified in either an invitation given to a Participant inviting that person to participate in the Plan or in a Certificate in respect of the Right or, if no date is specified, then the third anniversary of the Date of Grant of the Right; or such other date as the Plan Committee may substitute for that date.

## 1.2 *Interpretation*

In these Rules, unless the context otherwise requires:

- (a) headings are for convenience only and do not affect the interpretation of these Rules;
- (b) reference to any legislation or a provision of any legislation includes a modification or re-enactment of the legislation or a legislative provision substituted for, and all legislation and statutory instruments and regulations issued under, the legislation;
- (c) words denoting the singular include the plural and vice versa;
- (d) words denoting a gender include the other genders;
- (e) reference to any document or agreement includes reference to that document or agreement as amended, novated, supplemented, varied or replaced from time to time;
- (f) where any word or phrase is given a defined meaning in these Rules, any part of speech or other grammatical form of that word or phrase has a corresponding meaning;

- (g) reference to a rule or paragraph is a reference to a rule or paragraph of these Rules, or the corresponding Rule or Rules of the Plan as amended from time to time;
- (h) a reference to the Constitution includes a reference to any provision having substantially the same effect which is substituted for or replaces the Constitution;
- (i) where a Participant is a director of a company in the Group, but is not also an employee of a company in the Group, a reference to the employment with a company in the Group of that Participant is a reference to that Participant holding office as a director of a company in the Group;
- (j) a Participant does not cease to be employed by a company in the Group where the Participant ceases to be employed by a company in the Group, but contemporaneously commences employment with another company in the Group;
- (k) reference to time is a reference to the time in Sydney, Australia; and
- (l) where an act or thing must be done on a particular day or within a particular period, that act or thing must be done before, and that period ends at 5.00 pm on the relevant day.

### 1.3 *Primary instruments*

These Rules are to be interpreted subject to the Applicable Laws, the Listing Rules and the ASX Settlement Operating Rules (in that order of precedence).

## 2 The Plan

### 2.1 *Purpose*

The purpose of the Plan is to provide Eligible Employees with an opportunity to share in the growth in value of the Shares and to encourage them to improve the performance of the Company and its return to shareholders. It is intended that the Plan will enable the Group to retain and attract skilled and experienced employees and provide them with the motivation to make the Group more successful.

### 2.2 *Tax deferred*

Subdivision 83A-C of the Tax Act applies to the Plan, subject to the requirements of the Tax Act. The Plan has been designed, for the purposes of the Tax Act, to provide for deferral of Tax.

## 3 Principal conditions

### 3.1 *Rights Issued only to Employees*

No Rights may be issued to a person under the Plan unless the person remains an Employee as at the Date of Grant or the Plan Committee determines otherwise.

### 3.2 *Compliance with laws*

No Right may be issued to an Eligible Employee or Participant if to do so would contravene an Applicable law, a Listing Rule, including Listing Rules 6.15 to 6.24, or an ASX Settlement Operating Rule.

## 4 Operation of the Plan

The Plan operates according to these Rules which bind the Company, any Subsidiary and each Participant.

## 5 Issue of Rights

### 5.1 *Plan Committee may determine issue*

Subject to these Rules, the Plan Committee may from time to time determine that the Company will invite Eligible Employees to apply for Rights.

### 5.2 *Form of invitation*

The Board must give to each Eligible Employee invited to participate under the Plan, an Application Form to complete, sign and return to the Company, together with the following information:

- (a) either:
  - (i) the number of Rights to which the invitation relates; or
  - (ii) the basis on which the number of Rights to which the invitation relates is to be determined;
- (b) either:
  - (i) the Vesting Date; or
  - (ii) the basis on which the Vesting Date is to be determined;
- (c) the Performance Conditions attaching to the Rights (if any);
- (d) whether a Holding Lock will apply to the Shares issued following vesting of the Rights and, if so, the period not exceeding 2 years for which that Holding Lock will apply; and
- (e) any other terms and conditions relating to the grant of the Rights or the delivery of any Shares or vesting of the Rights which in the opinion of the Plan Committee, are fair and reasonable but not inconsistent with these Rules,

and the following documents:

- (f) when the first invitation is made to an Eligible Employee under these Rules, a summary or a copy of these Rules; and
- (g) any other information or documents that the Applicable Laws require the Company to give to the Eligible Employee.

### 5.3 *Offer and acceptance*

By completing, signing and returning the Application Form given to an Eligible Employee under Rule 5.2, the Eligible Employee offers to participate under the Plan and, on acceptance by the Board of the offer a contract is formed between the Company and the Eligible Employee on the terms and conditions of:

- (a) these Rules; and
- (b) the Application Form.



#### 5.4 *Limit on Number of Rights*

- (a) Subject to Rule 5.4(b), the number of Rights the subject of an invitation to an Eligible Employee is as determined by the Plan Committee.
- (b) The Company must not invite an Eligible Employee to apply for Rights, and must not issue Rights pursuant to any invitation if, at the time of the invitation, the sum of the number of Shares:
  - (i) the subject of an invitation;
  - (ii) in the same class which would be issued if all outstanding invitations or Rights made or acquired under the Plan and any other employee share plan of the Company or an Associated Company were exercised or accepted; and
  - (iii) in the same class issued under the Plan or issued under any employee share and option plan of the Company or an Associated Company during the period of 5 years prior to the date of the invitation, exceeds 5% of the total number of issued Shares in that class.
- (c) For the purpose of calculating the limit in Rule 5.4(b), any invitation made, or Right acquired or Shares issued by way of or as a result of:
  - (i) an invitation to a person situated at the time of receipt of the invitation outside Australia;
  - (ii) an invitation that did not require disclosure to the Participant because of an exemption to disclosure contained in section 708 of the Corporations Act; or
  - (iii) an invitation that was made under a disclosure document, will be disregarded.

#### 5.5 *Eligible Employee becomes a Participant*

On the issue of a Right to an Eligible Employee, the Eligible Employee becomes a Participant and is bound by these Rules.

#### 5.6 *Certificates*

The Company must give a Participant one or more Certificates stating (or which, if applicable, attaches a separate document stating):

- (a) the number of Rights issued to the Participant;
- (b) the Date of Grant of those Rights;
- (c) the Performance Conditions (if any) attaching to the Rights;
- (d) the Disposal Restrictions attaching to any Shares delivered on vesting of the Rights (if any);
- (e) whether a Holding Lock will be applied to the Shares issued on vesting of the Rights and, if so, for what period of time; and
- (f) any other terms and conditions relating to the grant of the Rights or the delivery of the Shares that the Plan Committee, in its absolute discretion, specifies

provided that such terms and conditions must not be inconsistent with these Rules.

#### 5.7 *Consideration for Rights*

A Right will be issued for consideration comprising the services that are expected to be provided by an Eligible Employee to or for the benefit of the Group, but no further monetary or other consideration will be payable in respect of the issue of a Right.

#### 5.8 *Quotation of Rights*

The Company has no obligation to apply for Official Quotation of any Rights.

#### 5.9 *Interest in Shares*

A Participant has no interest in a Share the subject of a Right held by the Participant unless and until the Share is issued to that Participant under these Rules.

#### 5.10 *No Disposal*

Unless the Plan Committee determines otherwise, a Participant must not Dispose of any Right granted under the Plan.

## 6 *Vesting of Rights*

### 6.1 *Vesting*

Subject to Rule 6.2, a Right vests on the Vesting Date.

### 6.2 *Vesting Conditions*

- (a) The vesting of Rights held by a Participant is conditional on satisfaction of the following conditions:
  - (i) the Participant must have been an employee, or a deemed employee for the purposes of section 83A-35 of the Tax Act, of a company within the Group at all times between the Date of Grant and the Vesting Date (inclusive);
  - (ii) any Performance Conditions;
  - (iii) any other conditions included in the Certificate; and
  - (iv) any other conditions imposed by the Plan Committee in its absolute discretion,

(together the **Vesting Conditions**).
- (b) The Plan Committee may determine that the Company's obligations in relation to the vesting of a Right will be satisfied by the Company making a cash payment in lieu of an allocation of shares pursuant to Rule 7. The Plan Committee may determine that some or all of a Participant's Right will be settled in this way.

## 7 *Delivery of Shares*

### 7.1 *Issue of Shares*

- (a) Subject to these Rules or payment of cash equivalent (including Rule 6.26.2(b)), each Right entitles the Participant to one Share on vesting.
- (b) Upon vesting:

- (i) unless specifically requested otherwise by a participant and approved by the Plan committee (in its sole discretion) the Rights are automatically exercised without further notice to the Company by the Participant;
  - (ii) the Participant is entitled to be issued, transferred or allocated the relevant Shares; and
  - (iii) the Company must procure that the Participant receives the number of Shares that correspond with the number of Rights vested in accordance with this Rule 7.1 within 10 Business Days of the Vesting Date.
- (c) Without limiting the discretion of the Company as to the way in which it will procure that the Participant receives the Shares under this Rule 7 the Company may:
- (i) issue to a Participant (or his or her Legal Personal Representative, as the case may be) one Share in respect of each Right of the Participant which has vested; or
  - (ii) procure the transfer to a Participant (or his or her Legal Personal Representative, as the case may be) of one Share in respect of each Right of the Participant which has vested.
- (d) The Company must not issue Shares to Directors without any shareholder approval that may be required under the Listing Rules being obtained.

## 7.2 *Quotation of Shares*

If other Shares are officially quoted on the ASX at the time of issue of Shares under this Plan, the Company must apply for Official Quotation of the Shares in accordance with the requirements under the Listing Rules.

## 7.3 *Shares rank equally*

Subject to the restrictions imposed under Rule 9, all Shares allotted under this Plan rank *pari passu* in all respects with Shares previously issued and, in particular, entitle the holders to participate fully in:

- (a) dividends declared by the Company; and
- (b) all issues of securities made or offered *pro rata* to holders of Shares;

where the Record Date for determining entitlements falls on or after the date of allotment and issue.

## 7.4 *Appointment of attorney*

The Company and each person nominated by the Company from time to time are irrevocably appointed jointly and severally by each Participant as attorney to do all things necessary or considered appropriate by the Company to effect an issue, transfer or allocation of Shares on vesting of Rights, including agreeing to become a member of the Company and bound by the Constitution on the Participant's behalf.

## 7.5 *Payment of cash equivalent*

- (a) Where the Plan Committee exercises its discretion under rule 6.26.2(b) to make a cash payment to a Participant in lieu of an allocation of Shares, the Company must pay to the Participant an amount in Australian dollars (or any other currency determined by the Committee in its absolute discretion)

equivalent to the value of Rights that have vested and that the Committee determines will be settled by a cash payment under rule 6.26.2(b).

- (b) The amount of the cash payment referred to in rule 7.5(a) will be calculated by multiplying the number of Shares in respect of which Rights have vested by the Market Price.
- (c) Where the Plan Committee determines that the payment under rule 7.5(a) is to be made in a currency other than Australian dollars, unless the Board determines otherwise, the foreign exchange rate applied will be the average closing exchange rate of the relevant currency for the 5 days prior to the date of vesting.

## 8 Lapse of Rights

### 8.1 *Lapse of unvested Rights*

- (a) Subject to Rule 8.2, if a Participant ceases to be employed by a company in the Group for any reason or a Control Event in respect of the Company occurs all unvested Rights granted to that Participant automatically lapse.
- (b) Subject to Rule 8.3, if the Vesting Conditions in relation to a Right are not satisfied before 5pm AEST on the Vesting Date, the Rights will lapse at 5pm AEST on the Vesting Date. If the Vesting Conditions are not satisfied by the Vesting Date, the Plan Committee must give the Participant written notice that the Vesting Conditions have not been satisfied.
- (c) Unless otherwise specified in the Certificate or determined otherwise by the Plan Committee, an unvested Right held by a Participant lapses on the making of a determination by the Plan Committee that the Right should lapse because the Participant, in the Plan Committee's opinion:
  - (i) has been dismissed or removed from office for a reason which entitles a body corporate in the Group to dismiss the Participant without notice;
  - (ii) has committed an act of fraud, defalcation or gross misconduct in relation to the affairs of that body corporate (whether or not charged with an offence); or
  - (iii) has done an act which brings the Group or any body corporate in the Group into disrepute.

### 8.2 *Vesting brought forward*

- (a) If an Accelerated Vesting Event occurs while a Participant is employed with the Group and before the Vesting Date, the Plan Committee may, at its discretion:
  - (i) bring forward the vesting of all Rights held by the Participant to a date determined by the Plan Committee; and
  - (ii) waive or vary any Vesting Conditions in regard to any Rights held by the Participant in accordance with Rule 6.2.
- (b) If the Plan Committee determines to bring forward the vesting of a Right and waive or vary the Vesting Conditions under Rule 6.2, the Company:

- (i) must within 14 days of the alteration give notice to each Participant affected by the alteration in respect of the Right held by the Participant; and
- (ii) may issue a replacement Certificate for the Right.

### 8.3 *Waiver of Vesting Conditions*

The Plan Committee may, at its discretion, by notice to the Participant reduce or waive the Vesting Conditions attaching to some or all of the Rights of a Participant in whole or in part at any time and in any particular case including due to Special Circumstance or a Change of Control Event.

## 9 Dealings with Shares

### 9.1 *Share Trading Policy*

The Participant must comply with the Share Trading Policy at all times, including for Shares issued under Rule 7.1.

### 9.2 *Holding Lock*

- (a) The Plan Committee may at its discretion, when inviting an Eligible Employee to apply for Rights to an Eligible Employee under Rule 5.1, specify that a holding lock will be applied to the Shares issued on vesting of those Rights. The Holding Lock may be applied for a period not exceeding 2 years from the Vesting Date (**Holding Lock Period**).
- (b) If a Holding Lock applies to the Shares:
  - (i) for the duration of the Holding lock Period a Participant may not Dispose of a Share issued under the Plan;
  - (ii) during the Holding Lock Period, each Participant:
    - (A) agrees that the Shares issued under Rule 7.1 will be subject to a Holding Lock; and
    - (B) undertakes not to request (or permit or procure another person to request) removal of the Holding lock,
 

except that some of the Shares may be released in accordance with column 2 of Annexure A upon the event in column 1 of Annexure A occurring; and
  - (iii) the Company may implement any procedure it considers appropriate to restrict the Participant from Disposing of Shares while the Holding lock is in place.

## 10 Participation rights, bonus issues, rights issues, reorganisations of capital

### 10.1 *New issues*

Subject to the Listing Rules, a Participant is only entitled to participate (in respect of a Right granted under the Plan) in a new issue of Shares to existing shareholders generally if the Right has vested and the Participant has become a Shareholder prior to the relevant Record Date, and is then only entitled to participate in relation to Shares of which the Participant is the registered holder.

## 10.2 *Bonus issues*

Subject to the Listing Rules, if there is a Bonus Issue to the holders of Shares, the number of Shares over which a Right is exercisable will be increased by the number of Shares which the holder of the Right would have received had the Right vested before the Record Date for the Bonus Issue.

## 10.3 *Reconstructions*

In the event that, prior to the vesting of Rights, there is a reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, then the Rights and Shares to which each Participant is entitled will be reconstructed in the manner permitted by the Listing Rules.

## 10.4 *Calculations and adjustments*

Any calculations or adjustments which are required to be made under this Rule 10 will be made by the Plan Committee and, in the absence of manifest error, are final and conclusive and binding on the Company and the Participant.

## 10.5 *Notice of change*

To the extent required by the Listing Rules, the Company must give notice to each Participant of any adjustment to the Rights or Shares to which the Participant is entitled pursuant to the provisions of this Rule 10.

# 11 Withholding

(a) If the Company or a member of the Group is obliged, or reasonably believes it may have an obligation, as a result of or in connection with any Rights granted or Shares allocated under this Plan, to account for:

- (i) income tax or employment taxes under any wage, withholding or other arrangements; or
- (ii) any other tax, social security contributions or levy or charge of a similar nature,

that is a liability of the Participant, then the relevant Group Company is entitled to be reimbursed by the Participant for the amount or amounts so paid or payable.

(b) Where rule 11(a) applies, the relevant Group Company is not obliged to allocate Shares or to make a cash payment in accordance with rule 6.26.2(b) unless the Company is satisfied that arrangements for payment or reimbursement of the amounts referred to in rule 11(a) have been made. Those arrangements may include, without limitation:

- (i) the provision by the Participant of sufficient funds to reimburse the Group Company for the amount (by salary deduction, reduction of any amount owed by the Group to the Participant or otherwise);
- (ii) the sale on behalf of the Participant of Shares allocated pursuant to these Rules for payment or reimbursement of these amounts, as well as the costs of any such sale;
- (iii) a reduction in any amount payable to the Participant in lieu of an allocation of Shares under these Rules; or

- (iv) lapse or forfeiture of a sufficient number of Rights, and/or Shares to satisfy the debt the Participant owes to the Group Company. Unless the Group Company and the Participant agree to use a different valuation, any Rights and/or Shares lapsed or forfeited (as applicable) under this Rule will be valued at the Market Price on the date of lapse or forfeiture.

## 12 Terms of employment or appointment not affected

### 12.1 *Terms of office or employment or appointment not affected*

- (a) These Rules do not form part of any contract of employment or appointment, or any arrangement in respect of any such employment or appointment, between an Eligible Person and the Company or a Group Company, nor do they constitute a related condition or collateral arrangement to any such contract or arrangement.
- (b) Participation in the Plan will not in any way affect the rights and obligations of an Eligible Person under the terms under which he or she is employed or appointed.
- (c) The terms of an Eligible Person's employment or appointment with the Company or a Group Company will not in any way affect the rights and obligations of a Participant under this Plan.

### 12.2 *No claim as a consequence of termination of employment or appointment*

A Participant has no right to compensation or damages from the Company or any Group Company in respect of any loss of future rights under the Plan, as a consequence of termination of the Participant's employment or appointment for any reason.

### 12.3 *Rights of Participants*

Except as expressly provided in these Rules, nothing in these Rules confers on any person the right to receive any Shares or confers on any person any expectation of becoming a Participant.

## 13 General

### 13.1 *Expenses and costs*

Subject to these Rules, the Company and its Subsidiaries must pay all expenses, costs and charges incurred in the administration of the Plan in the amounts and proportions as they shall agree.

### 13.2 *Connection with other plans*

Unless the Plan Committee determines otherwise, participation in the Plan does not affect, and is not affected by, participation in any other incentive or other plan operated by the Company unless the terms of that other plan provide otherwise.

### 13.3 *Buy backs*

Subject to the Corporations Act, the Company may buy back Shares allocated to a Participant under the Plan.

## 14 Administration of the Plan

### 14.1 Administration

The Plan is administered by the Plan Committee.

### 14.2 Powers of the Plan Committee

The Plan Committee has power to:

- (a) determine appropriate procedures and make regulations for the administration of the Plan which are consistent with these Rules;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with the Plan;
- (c) terminate or suspend the operation of the Plan at any time, provided that the termination or suspension does not adversely affect or prejudice the rights of Participants holding vested Rights at that time;
- (d) delegate those functions and powers it considers appropriate, for the efficient administration of the Plan, to any person or persons whom the Plan Committee reasonably believes to be capable of performing those functions and exercising those powers;
- (e) take and rely upon independent professional or expert advice in or in relation to the exercise of any of their powers or discretions under these Rules;
- (f) administer the Plan in accordance with these Rules as and to the extent provided in these Rules; and
- (g) make regulations for the operation of the Plan consistent with these Rules.

### 14.3 Exercise of powers or discretion

Any power or discretion which is conferred on the Plan Committee or Board by these Rules may be exercised by the Plan Committee or Board in the interests or for the benefit of the Company, and the Plan Committee or Board is not, in exercising that power or discretion, under any fiduciary or other obligation to another person.

### 14.4 Determinations

Where these Rules provide for a determination, decision, approval or opinion of the Plan Committee or Board, that determination, decision, approval or opinion may be made or given by the Plan Committee or Board (as applicable) in its absolute discretion.

### 14.5 Interpretation

The decision of the Plan Committee as to the interpretation, effect or application of these Rules is final and conclusive.

### 14.6 Tax

No company in the Group or any adviser to a company in the Group or the Board or the Plan Committee is liable for any Tax which may become payable by a Participant in the Plan and none of them represent or warrant that any person will gain any taxation advantage by participating in the Plan.



## 15 Appointment of trustee

- (a) The Plan Committee may at any time:
  - (i) appoint a trustee (**Trustee**) on any terms and conditions which it considers appropriate to do all such things and perform all such functions as it considers appropriate to operate and administer the Plan, including to acquire shares on-market or by way of subscription for the purpose of delivering Shares to Participants upon the exercise of any vested Rights and to enforce any restrictions on Disposal as contemplated by these Rules; and
  - (ii) establish a trust (**Trust**) for the purposes set out in clause 15(a)(i).
- (b) If the Plan Committee appoints a Trustee to hold Shares that are to be delivered to a Participant under this Plan:
  - (i) the Shares will be registered in the name of the Trustee and held by the trustee on trust for that Participant and subject to the trust deed establishing the Trust (**Trust Deed**);
  - (ii) where any provisions of this Plan refers to granting, issuing, transferring or allotting Shares to, or holding, acquiring, receiving, subscribing for or disposing of Shares by, the Participant it will mean granting, issuing, transferring or allotting Shares to, or holding, acquiring, receiving, subscribing for or disposing of Shares by, the Trustee on behalf of that Participant;
  - (iii) unless the context requires otherwise, any other rule of this Plan that refers to the Participant (other than with respect to the Rights) will mean the Trustee on behalf of that Participant; and
  - (iv) the Trustee on behalf of each Participant will be entitled to any rights which accrue to Shares held for the benefit of that Participant and will exercise those rights in accordance with the Trust Deed.

## 16 Amendment to Rules

### 16.1 *Amendment*

Subject to Rules 16.2 and 16.3, the Company may at any time by written instrument or by resolution of the Board, amend all or any of the provisions of these Rules (including this Rule 15).

### 16.2 *Accrued Rights*

No amendment of the provisions of these Rules may reduce the accrued rights of any Participant in respect of Shares issued under the Plan prior to the date of the amendment, other than:

- (a) an amendment introduced primarily:
  - (i) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legal requirements governing or regulating the maintenance or operation of the Plan or like plans;
  - (ii) to correct any manifest error or mistake;

- (iii) to enable contributions or other amounts paid by the Company in respect of the Plan to qualify as income tax deductions;
  - (iv) to enable the Participant or the Company to reduce the amount of fringe benefits tax under the *Fringe Benefits Tax Assessment Act 1986*, the amount of tax under the Tax Act or the amount of any other tax or impost that may otherwise be payable by the Participant or the Company in relation to the Plan;
  - (v) for the purpose of enabling Participants generally (but not necessarily each Participant) to receive a more favourable taxation treatment in respect of their participation in the Plan; or
  - (vi) to enable the Company to comply with the Corporations Act, the Listing Rules or any other legal requirement; or
- (b) with the consent of Participants who between them hold not less than 75% of the total number of those Rights held by all those Participants before making the amendment.

### 16.3 *Listing Rules*

No amendment may be made except in accordance with and in the manner stipulated (if any) by the Listing Rules.

### 16.4 *Retrospectively*

Subject to the above provisions of this Rule 15, any amendment made under Rule 16.1 may be given such retrospective effect as is specified in the resolution by which the amendment is made and, if so stated, amendments to these Rules, including the terms applicable to Shares issued under this Plan, have the effect of automatically amending the terms of Shares issued and still subject to these Rules.

### 16.5 *Eligible Employees outside Australia*

The Plan Committee may make any additions, variations or modifications to the Rules, in relation to the implementation of the Plan and the specific application of the Rules, to Eligible Employees residing outside Australia, having regard to any securities, exchange control or taxation laws or regulations or similar factors which may apply to that Eligible Person, a company in the Group or the Plan.

## 17 Rights of Participants

Participants do not, as Participants, have any right to attend or vote at general meetings of Shareholders.

## 18 Notices

Notices may be given by the Company to Participants in any manner that the Plan Committee may from time to time determine.

## 19 Severance

If any of these Rules are void, voidable or unenforceable, that provision will be severed and the remainder of these Rules will have full force and effect.

## 20 Governing law & jurisdiction

These Rules and the rights and obligations of Participants under the Plan are governed by the law of New South Wales and the Commonwealth of Australia, and each Participant irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales and the Commonwealth of Australia.

## 21 Advice

Eligible Employees should obtain their own independent advice at their own expense on the financial, taxation and other consequences to them of or relating to participation in the Plan.

## 22 Data protection

### 22.1 *Collection and purpose*

The Company needs to collect personal information about Eligible Employees for the Purpose. If this personal information is not provided to the Company, the Company may not be able to achieve the Purpose.

### 22.2 *Consent*

By completing and returning an application for Rights form, an Eligible Employee authorises and instructs each company in the Group and any agent of any company in the Group:

- (a) to collect, disclose and transfer between each other (including those located outside Australia) any personal information as the Company may request;
- (b) to disclose any personal information to the Australian Taxation Office, ASX, ASIC or any governmental agency or authority as may be required in connection with the administration of the Plan; and
- (c) to store and process personal information,

in accordance with the Purpose. An Eligible Employee may withdraw this authorisation.

### 22.3 *Access to personal information*

An Eligible Employee may access any personal information held by the Company by contacting the Company Secretary and may require any personal information to be corrected if that personal information is inaccurate or incomplete.

## Annexure A            Early Release of Holding Lock

<b>Event</b>	<b>Adjustment to Holding Lock</b>
You demonstrate to the satisfaction of the Plan Committee that you are experiencing severe financial hardship	At the discretion of the Plan Committee, sufficient Shares acquired as a result of the vesting of Rights will be released from the Holding Lock as are required to relieve your severe financial hardship
Your employment with the Company and all Group Companies ceases due to a Special Circumstance	All the Shares acquired as a result of the vesting of Rights will be released from the Holding Lock upon the date of cessation of your employment with the Company or a Group Company (or as soon as practicable thereafter).
Your employment with the Company and all Group Companies is terminated for reasons other than a Special Circumstance	50% of the Shares acquired as a result of the vesting of Rights will be released from the Holding Lock upon the date of cessation of your employment with the Company and all Group Companies (or as soon as practicable thereunder) with the remaining 50% of the Shares acquired as a result of the vesting of Rights to be subject to the Holding Lock until 12 months and after the date of cessation of your employment with the Company and all Group Companies.
A Control Event occurs after the Vesting Date	All the Shares acquired as a result of the vesting of Rights will be released from the Holding Lock on the earlier of the Control Event occurring and a date determined by the Board.