



# iSelect Limited

**ABN 48 124 302 932**

**Registered Office: 294 Bay Road, Cheltenham, Victoria, 3192**

## **NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

### **Date of Meeting**

25 October 2018

### **Time of Meeting**

2.30 p.m.

### **Place of Meeting**

294 Bay Road, Cheltenham, Victoria, 3192

### **A Proxy Form is enclosed**

*This Notice of Annual General Meeting, Explanatory Memorandum and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your professional advisers.*

*If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the directions.*

# NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of iSelect Limited ABN 48 124 302 932 (Company) will be held at 294 Bay Road, Cheltenham, Victoria on Thursday, 25 October 2018 at 2.30 p.m. (Melbourne time) for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

## BUSINESS OF MEETING

### Financial Reports

To receive and consider the financial report of the Company for the year ended 30 June 2018 together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

#### 1. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution as an **ordinary resolution**:

*"That the Remuneration Report for the year ended 30 June 2018 as set out in the 2018 Annual Report be adopted."*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Chair of the Meeting intends to vote all available proxies **FOR** this Resolution.

#### 2. Resolution 2 – Re-election of Mr Chris Knoblanche as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That Mr Chris Knoblanche, who retires in accordance with clause 6.1(f) of the Company's Constitution, be re-elected as a Director of the Company."*

The Chair of the Meeting intends to vote all available proxies **FOR** this Resolution.

#### 3. Resolution 3 – Approve the issue of securities under the LTI Plan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That in accordance with Exception 9 of Listing Rule 7.2 and for all other purposes, approval be given to the issue of Shares under the iSelect Long Term Incentive Plan, a summary of which is set out in the Explanatory Memorandum."*

The Chair of the Meeting intends to vote all available proxies **FOR** this Resolution.

#### 4. Resolution 4 – Approve the issue of securities under the Performance Rights Plan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That in accordance with Exception 9 of Listing Rule 7.2 and for all other purposes, approval be given to the issue of performance rights under the iSelect Performance Rights Plan (and the issue of the underlying securities that are the subject of those performance rights), a summary of which is set out in the Explanatory Memorandum."*

The Chair of the Meeting intends to vote all available proxies **FOR** this Resolution.

**5. Resolution 5 – Approve the issue of LTI Plan Shares and associated loan to Arnhold Investments Pty Ltd under the LTI Plan**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval be given to the issue of 2,500,000 shares to Arnhold Investments Pty Ltd as an equity incentive, such shares to be governed by the LTI Plan rules, on the terms set out in the Explanatory Memorandum."*

**The Chair of the Meeting intends to vote all available proxies FOR this Resolution.**

**OTHER BUSINESS**

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

**By order of the Board**

A handwritten signature in black ink, appearing to be 'D. Christie', with a stylized flourish at the end.

**David Christie**  
Company Secretary

Dated: 21 September 2018

## How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, online using [www.investorvote.com.au](http://www.investorvote.com.au) or by facsimile.

## Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. To be effective a certified copy of the Power of Attorney, or the power itself, must be received by Computershare in the same manner, and by the same time as outlined for proxy forms below.

## Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

## Voting by proxy

- A Shareholder entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- A Shareholder appointing two proxies may specify the proportion or the number of votes that each proxy may exercise. Where two proxies are appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply. These rules are explained in the Explanatory Memorandum.

- To be effective, proxies must be lodged by 2.30 p.m. (Melbourne time) on Tuesday, 23 October 2018. Proxies lodged after this time will be invalid.

- Proxies may be lodged using any of the following methods:

- online by visiting [www.investorvote.com.au](http://www.investorvote.com.au)

- by returning a completed Proxy Form by post using the pre-addressed envelope provided with this Notice to:

- Computershare Investor Services, GPO Box 242, Melbourne, Victoria, 3001

- by faxing a completed Proxy Form to 1800 783 447 (within Australia) +613 9473 2555 (outside Australia);

- for intermediary online subscribers only (custodians), submit your voting intentions via [www.intermediaryonline.com](http://www.intermediaryonline.com).

The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by Computershare at the above address, or by facsimile by 2.30 p.m. (Melbourne time) on Tuesday, 23 October 2018. If facsimile transmission is used, the Power of Attorney must be certified.

## Shareholders who are entitled to vote

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth), the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 7.00 pm (Melbourne time) on Tuesday, 23 October 2018.

# **iSelect Limited**

## **ABN 48 124 302 932**

### **EXPLANATORY MEMORANDUM**

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

Capitalised terms used in this Explanatory Memorandum are defined in the Glossary appearing at the end of this Explanatory Memorandum, unless otherwise defined in this Explanatory Memorandum.

The Directors of the Company recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

#### **FINANCIAL REPORTS**

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2018, together with the Directors' declaration and report in relation to that financial year and the Auditor's Report on the financial report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the management of the Company.

Shareholders will also have the right to question the Auditors in connection with such matters as the Auditor's Report or the conduct of the audit. Written questions must be submitted no later than 5 business days before the Meeting and the written questions and answers will be available at and after the Meeting.

#### **RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Company's 2018 Annual Report be adopted. The Remuneration Report is set out in the Company's 2018 Annual Report and is also available on the Company's website (<http://www.iselect.com.au/>).

Under section 250R(3) of the Corporations Act, the vote on Resolution 1 is advisory only and does not bind the Directors or the Company. However, the "two strikes" rule in the Corporations Act provides that if at least 25% of the votes cast on the adoption of the Remuneration Report at two consecutive annual general meetings are against adopting the Remuneration Report, Shareholders will have the opportunity to vote on a spill resolution.

If 25% or more of the votes cast on this resolution are against adoption of the Remuneration Report, the Company will be required to consider, and report to Shareholders on, what action (if any) has been taken to address Shareholders' concerns at next year's annual general meeting.

#### **Directors' Recommendation**

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report.

#### **Voting Exclusions**

No votes may be cast on Resolution 1 by or on behalf of any Restricted Voters. However, a Restricted Voter may cast a vote on this Resolution as proxy for someone other than a Restricted Voter if the appointment gives a direction on how to vote.

Further, any member of Key Management Personnel (regardless of whether or not details of their remuneration are disclosed in the Remuneration Report) and their Closely Related Parties may not vote on this Resolution as proxy unless the appointment gives a direction on how to vote and the vote is not cast on behalf of a Restricted Voter. However, the Chair of the Meeting can vote undirected proxies, provided the proxy expressly authorises the Chair to do so. The Chair intends to use any such proxies to vote in favour of the Resolution.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

## **RESOLUTION 2 – RE-ELECTION OF MR CHRIS KNOBLANCHE AS A DIRECTOR**

Pursuant to Clause 6.1(f) of the Company's Constitution, Mr Chris Knoblanche, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

A summary of Chris' relevant experience is shown below:

- Chris was appointed to the Board on 1 July 2015 and serves as Non-executive Director and independent Chair;
- Chris brings diverse and relevant board experience to iSelect, with a particular strength in strategy and financial services including serving as a board member of Aussie Home Loans Limited and non-Executive Director of Greencross Limited (ASX: GXL);
- Chris has extensive CEO, executive and financial markets experience having served as Managing Director and Head of Citigroup Corporate and Investment Banking Australia & NZ, a partner in Calburn (now Greenhill Investment Bank) and CEO of Andersen Australia and Andersen Business Consulting – Asia;
- Chris holds a Bachelor of Commerce (Accounting and Financial Management) and is a member of the Institute of Chartered Accountants of Australia (ACA) and Fellow of the Australian Society of CPA's (FCPA);
- In 2014 Chris was awarded an Order of Australia (AM) for significant service to arts administration, the community and the business and finance sector; and
- In 2000 Chris was awarded the Centenary Medal by the Australian Government for services to the arts and business.

### **Directors' Recommendation**

The Directors, other than Mr Chris Knoblanche, unanimously support the re-election of Mr Chris Knoblanche as a Director and recommend that Shareholders vote in favour of Resolution 2.

## **BACKGROUND TO RESOLUTIONS 3 AND 4**

Under Listing Rule 7.1, the prior approval of the Shareholders of the Company is required to issue securities, which, when aggregated with securities issued by the Company during the previous 12 months, exceed 15% of the number of securities the Company has on issue at the commencement of that 12 month period.

Exception 9 of Listing Rule 7.2 provides that Listing Rule 7.1 does not apply to an issue of shares under an employee incentive scheme if, within three years before the date of issue:

- where the employee incentive scheme was established prior to the entity becoming a listed entity, a summary of the terms of the employee incentive scheme were set out in the prospectus; or
- holders of the ordinary shares in the Company have approved the issue of securities under the employee incentive scheme.

Approval of the LTI Plan and Performance Rights Plan pursuant to Exception 9(b) of Listing Rule 7.2 was last sought and obtained at the Company's 2015 Annual General Meeting on 17 November 2015. Resolutions 3 and 4 therefore seek Shareholder approval for the issue of securities under of the LTI Plan and Performance Rights Plan respectively in accordance with Exception 9(b) of Listing Rule 7.2. If Resolutions 3 and 4 are passed, the Company will be able to issue securities under the LTI Plan and the Performance Rights Plan without impacting the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period. These approvals continue for three years, at which time it must be renewed or it will expire. In the case of an invitation to a director to acquire securities under either the LTI Plan or the Performance Rights Plan, the acquisition of these securities will require Shareholder approval in accordance with Listing Rule 10.14.

### **RESOLUTION 3 – Approve the issue of securities under the LTI Plan**

The objective of the LTI Plan is to attract, reward and retain certain employees. The LTI Plan is designed to link long-term reward with the ongoing creation of Shareholder value, through the allocation of shares under the LTI Plan which are subject to satisfaction of long-term performance conditions.

The Board intends to continue to make regular grants of shares under the LTI Plan.

The LTI Plan was last approved by Shareholders at the Company's 2015 Annual General Meeting on 17 November 2015. For the purposes of Exception 9 of Listing Rule 7.2 and all other purposes, approval is sought for the re-adoption of the LTI Plan and the issue of securities under that LTI Plan.

The Board considers that future issue of shares under the LTI Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

In accordance with Exception 9(b) of Listing Rule 7.2, a summary of the key terms of the LTI Plan and the number of securities issued under the LTI Plan since the date of the last approval is set out in Schedule 1 to this Notice. A copy of the full terms of the LTI Plan can be obtained by contacting the Company Secretary.

### **Directors' Recommendation**

The Non-Executive Directors recommend that Shareholders vote in favour of Resolution 3.

### **Voting Exclusions**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- a Director (except a Director who is ineligible to participate in any employee incentive scheme of the Company); or
- an Associate of that person.

However the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a member of Key Management Personnel and their Closely Related Parties may not vote as a proxy on this resolution if the appointment does not specify how the proxy is to vote. However, the Chair can vote undirected proxies provided that the proxy expressly authorises the Chair to do so.

The Chair will use any such proxies to vote in favour of the Resolutions.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on these Resolutions.

### **Resolution 4 – Approve the issue of securities under the Performance Rights Plan**

The objective of the Performance Rights Plan is to provide a mechanism for achieving the Company's overarching remuneration objectives of aligning the interests of senior staff and Shareholders by encouraging a strong focus on performance and delivery of outstanding Shareholder returns.

The Performance Rights Plan was last approved by Shareholders at the Company's Annual General Meeting on 17 November 2015. For the purposes of Exception 9 of Listing Rule 7.2 and for all other purposes, approval is sought for the issue of securities under the Performance Rights Plan.

The Board considers that the future issue of securities under the Performance Rights Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

In accordance with exception 9(b) of Listing Rule 7.2, a summary of the key terms of the Performance Rights Plan and the number of securities issued under the Performance Rights Plan since the date of the last approval is set

out in Schedule 2 to this Notice. A copy of the full terms of the Performance Rights Plan can be obtained by contacting the Company Secretary.

### **Directors' Recommendation**

The Non-Executive Directors recommend that Shareholders vote in favour of Resolution 4.

### **Voting Exclusions**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- a Director (except a Director who is ineligible to participate in any employee incentive scheme of the Company); and
- an Associate of that person.

However the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further, a member of Key Management Personnel and their Closely Related Parties may not vote as a proxy on this resolution if the appointment does not specify how the proxy is to vote. However, the Chair can vote undirected proxies provided that the proxy expressly authorises the Chair to do so.

The Chair will use any such proxies to vote in favour of the Resolutions.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on these Resolutions.

### **Resolution 5 – Approve the issue of LTI Plan Shares and associated loan to Arnhold Investments Pty Ltd under the LTI Plan**

As announced on 23 April 2018, Mr Brodie Arnhold has been appointed to the position of Interim CEO effective 23 April 2018. The Company has entered into an agreement with an entity controlled by Mr Arnhold, Arnhold Investments, the terms of which require the entity to procure that Mr Arnhold provides the Interim CEO services. The terms of Mr Arnhold's appointment were summarised in an announcement on 1 May 2018.

As announced on 14 August 2018, the Board and Mr Arnhold have agreed to further extend Mr Arnhold's appointment, and to a variation in the agreement with Arnhold Investments. The terms of the agreement were summarised in the announcement on 14 August 2018.

As part of the remuneration package to be paid by the Company in connection with the provision of CEO services by Mr Arnhold, the Company has agreed, subject to Shareholder approval, to issue 2,500,000 performance shares to Arnhold Investments as an equity incentive, such shares to be governed by the Company's LTI Plan at an issue price of \$0.80 per LTI Plan Share.

Listing Rule 10.14 requires Shareholder approval for the issue of new shares under an employee incentive scheme to a Director or an associate of a Director, or any other person whose relationship with the Company is, in ASX's opinion, such that Shareholder approval should be obtained. As such, the Company is seeking approval under Listing Rule 10.14 for the proposed issue of LTI Plan Shares to Arnhold Investments. If approval is given under Listing Rule 10.14, approval is not required under Listing Rule 7.1 for a proposed grant of LTI Plan Shares to Arnhold Investments.

The terms of the LTI Plan Shares proposed to be issued to Arnhold Investments are set out below. The LTI Plan Shares are otherwise issued on the terms of the LTI Plan rules summarised in Schedule 1 to this Explanatory Memorandum.

### ***Maximum number of LTI Plan Shares to be issued***

The maximum number of LTI Plan Shares proposed to be issued to Arnhold Investments is 2,500,000 LTI Plan Shares.



### ***Price of each LTI Plan Share to be acquired and loan terms***

The price for each LTI Plan Share to be acquired by Arnhold Investments will be \$0.80.

Under the terms of the LTI Plan, an interest free limited recourse loan equal to the full value of the LTI Plan Shares to be acquired will be extended to Arnhold Investments for the purpose of acquiring the LTI Plan Shares.

There will be no initial cost to Arnhold Investments to participate in the LTI Plan, but the loan must be repaid within two years of the LTI Plan Shares vesting.

### ***Performance period***

The LTI Plan Shares will vest at the end of a 12 month performance period, subject to the achievement of key performance indicators (as referred to below). The 12 month performance period reflects the contract period of the Interim CEO Services and focuses Mr Arnhold on the immediate matters that must be addressed to ensure iSelect can build long-term sustainable shareholder value.

Under the award, no value will arise for Arnhold Investments and the LTI Plan Shares will not vest unless:

- the share price of fully paid ordinary shares in the Company is equal to or greater than \$0.80 per share as at 1 July 2019;
- Mr Arnhold remains employed as CEO of the Company as at 1 July 2019;
- Mr Arnhold, as CEO, achieves certain key performance indicators as determined by the Board; and
- Mr Arnhold conducts himself in a manner satisfactory to the Chair and the Board of the Company.

Following vesting, the LTI Plan Shares will remain subject to an escrow period commencing on the date of vesting and expiring immediately following the close of the Company's 2019 Annual General Meeting, during which period Mr Arnhold must not deal with those LTI Plan Shares, except on the occurrence of a change in control event or as otherwise permitted by the LTI Plan rules.

### ***Date of allocation***

If Shareholder approval is obtained, the LTI Plan Shares will be allotted to Arnhold Investments in November 2018, and in any event, no later than 12 months after the date of the Meeting.

### ***Change of control***

Upon a 'change of control' event, the Board may determine in its absolute discretion, subject to applicable laws, the timing and treatment of the unvested LTI Plan Shares, which may include determining some or all of the unvested LTI Plan Shares vest at a specified date. Any loan related to vested LTI Plan Shares will be repayable at that time. If the Share price has fallen, LTI Plan Shares will be forfeited and surrendered in full satisfaction of the loan.

### ***Cessation of employment***

Where Mr Arnhold ceases to provide CEO services to the Company, any unvested LTI Plan Shares will be forfeited in full satisfaction of the corresponding loan unless determined and approved otherwise by the Board.

### ***Other information required by the Listing Rules***

Mr Arnhold is the only Director currently entitled to participate in the LTI Plan. Non-Executive Directors are not eligible to participate in the LTI Plan.

The Company last obtained Shareholder approval under Listing Rule 10.14 at the Company's 2017 Annual General Meeting (being the approval for the issue of shares under the LTI Plan to the Company's former CEO and Managing Director, Mr Scott Wilson). Pursuant to that approval, Mr Wilson received 812,500 LTI Plan Shares at an acquisition price of \$1.53 per LTI Plan Share. No other persons listed in Listing Rule 10.14 have received securities under the Company's LTI Plan since the date of last approval under Listing Rule 10.14.

Listing Rule 7.1 provides that Shareholder approval is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

However, if approval is given under Listing Rule 10.14, Exception 14 of Listing Rule 7.2 provides that approval will not be required under Listing Rule 7.1. This means that any Shares issued pursuant to this approval will not use up any part of the Company's 15% capacity available under Listing Rule 7.1.

**Directors' Recommendation**

The Directors, other than Mr Brodie Arnhold, unanimously support the approval of the issue of LTI Plan Shares to Arnhold Investments and recommend that Shareholders vote in favour of Resolution 5.

**Voting Exclusions**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- any Director who is eligible to participate in the Company's LTI Plan; and
- an Associate (as that term is defined in the Corporations Act) of those Directors.

However the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Further, a member of Key Management Personnel and their Closely Related Parties may not vote as a proxy on this resolution if the appointment does not specify how the proxy is to vote. However, the Chair can vote undirected proxies provided that the proxy expressly authorises the Chair to do so.

The Chair will use any such proxies to vote in favour of the Resolution.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on these Resolutions.

## GLOSSARY

In this Explanatory Memorandum, the following terms have the following meaning unless the content otherwise requires:

**Accounting Standards** has the meaning given to that term in the Corporations Act.

**Annual Report** means the annual report of the Company for the year ended 30 June 2018.

**Arnhold Investments** means Arnhold Investments Pty Ltd ACN 935 499 145.

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

**Auditor** means the auditor of the Company being Ernst & Young.

**ASX** means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Board** means the board of Directors of the Company.

**Chair** means the individual elected to chair any meeting of the Company from time to time.

**Closely Related Party** has the meaning given to that term in the Corporations Act.

**Company** means iSelect Limited ABN 48 124 302 932.

**Constitution** means the Company's constitution, as amended from time to time.

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

**Directors** means the directors of the Company.

**Explanatory Memorandum** means the explanatory memorandum accompanying the Notice.

**Key Management Personnel** has the meaning given to that term in the Accounting Standards which includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any Director of the Company.

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

**LTI Plan** means the Long Term Incentive Plan which is operated by the Company.

**LTI Plan Share** means a Share acquired by a participant under the LTI Plan using a loan advanced pursuant to an offer under the LTI Plan.

**Meeting** means the Annual General Meeting convened by the Notice.

**Notice** means this Notice of Annual General Meeting.

**Option** means an option to acquire a Share.

**Performance Rights Plan** means the Performance Rights Plan which is operated by the Company.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report set out in the Annual Report for the year ended 30 June 2018.

**Resolution** means a resolution contained in the Notice.

**Restricted Voter** means Key Management Personnel (details of whose remuneration are included in the Remuneration Report) and their Closely Related Parties.

**Shareholder** means the holder of a share in the capital of the Company.

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

## **SCHEDULE 1 - SUMMARY OF KEY TERMS OF LTI PLAN**

A summary of the key terms of the LTI Plan is set out below. A copy of the LTI Plan, which was lodged with the ASX on 24 June 2013, will be made available free of charge by the Company if requested by a Shareholder. All requests should be directed to the Company Secretary.

### **Eligibility and General Terms**

- Under the LTI Plan, participants are provided with a limited recourse loan from the Company for the sole purpose of subscribing for shares issued under the LTI Plan in the Company. Participants are not charged interest on the loan.
- The Board may issue shares under the LTI Plan to KMP, including executive directors, and other selected employees of the Company.
- Until the shares vest, shares are not transferrable and the participant is not entitled to exercise any voting rights attached to the shares. Any dividends paid on the shares while the loan remains outstanding are applied (on a notional after-tax basis) towards repayment of the loan.

### **Vesting Conditions**

- The shares will only vest upon satisfaction of conditions set by the Board at the time of the offer. The Board may determine any vesting conditions, which may include performance and service conditions that must be satisfied before the shares vest. The vesting conditions will be measured and tested over a period determined by the Board.
- If the conditions are met and the shares vest, the loan becomes repayable and participants have up to five years from the date of allocation of the shares to repay the outstanding balance unless another date is specified by the Board. The shares cannot be dealt with (other than to repay the loan) until the loan in respect of the vested shares is repaid in full.
- Upon a 'change of control' event, the Board may determine in its absolute discretion, subject to applicable laws, the timing and treatment of the unvested Shares, which may include determining some or all of the unvested Shares vest at a specified date. Any loan related to vested Shares will be repayable at that time. If the Share price has fallen, Shares will be forfeited and surrendered in full satisfaction of the loan.
- If the performance conditions are not satisfied, any shares issued under the LTI Plan will remain unvested and will be forfeited and surrendered in full satisfaction of the loan, in which case participants will have no further interest in the shares.
- Except where the Board determines otherwise in a specific instance, where a participant ceases employment with the Company prior to any conditions attaching to shares issued under the LTI Plan being satisfied, their shares will be forfeited and surrendered (in full satisfaction of the loan) and the participant will have no further interest in the shares. However the Board has discretion to approve the reason for a participant ceasing employment before shares have vested in appropriate circumstances.
- Where the Board has approved the reason for ceasing employment, it has discretion to determine any treatment in respect of the unvested shares it considers appropriate in the circumstances – for example, that a pro-rata number of shares are eligible to vest, having regard to time worked during the performance period and the extent the performance condition has been satisfied at the time of cessation.
- In relation to vested shares that remain subject to the loan, the participant will have 12 months from the date of the cessation of their employment to repay the loan. Once the loan is repaid, the participant may deal in the shares.

**Number of LTI Plan Shares issued under the LTI Plan since the date of last approval**

Since the date of the last approval of the LTI Plan (being 17 November 2015), the Company has issued LTI Plan Shares under the LTI Plan as follows:

<b>LTI Plan</b>	<b>Shares issued</b>
FY2016 (after 17 November 2015)	330,928
FY2017	3,384,695
FY2018	2,892,301

## SCHEDULE 2 - SUMMARY OF KEY TERMS OF PERFORMANCE RIGHTS PLAN

A summary of the key terms of the Performance Rights Plan are set out below. A copy of the Performance Rights Plan will be made available free of charge by the Company if requested by a Shareholder. All requests should be directed to the Company Secretary.

### Eligibility and General Terms

- The Board, in its absolute discretion may from time to time make offers to certain eligible employees, including an executive director, on behalf of the Company to participate in a grant of performance rights upon the terms and conditions of the Performance Rights Plan and upon such additional terms and conditions, including performance conditions (if any) as the Board in its absolute discretion determines.
- Each performance right entitles an ordinary share to be issued to the holder if the performance right vests in accordance with the relevant service and performance conditions (unless the Board exercises its discretion that a participant's performance right vests under the rules of the Performance Rights Plan on a different date).

### Vesting Conditions

- The performance rights will only vest upon satisfaction of conditions set by the Board at the time of the offer. The Board may determine any vesting conditions, which may include performance and service conditions that must be satisfied before the performance rights vest. The vesting conditions will be measured and tested over a period determined by the Board.
- Each performance right is offered subject to the achievement of the performance measures. If the conditions are met and the performance rights vest, a share will be allocated.
- Upon a 'change of control', the Board may in its absolute discretion, subject to applicable laws, determine that all or a specified number of a participant's performance rights shall immediately vest having regard to all relevant circumstances, including whether performance is in line with any applicable performance conditions.
- If the performance conditions are not satisfied, any performance rights issued under the Performance Rights Plan will lapse.
- Except where the Board determines otherwise in a specific instance, where a participant ceases employment with the Company prior to any conditions attaching to performance rights issued under the Performance Rights Plan being satisfied, their performance rights will be forfeited and surrendered and the participant will have no further interest in the performance rights. However the Board has discretion to determine some or all of a participant's performance rights shall vest (including on a pro rata basis) or that they remain subject to the terms on which they were originally granted.

### Number of performance rights issued under the Performance Rights Plan since the date of last approval

Since the date of the last approval of the Performance Rights Plan (being 17 November 2015), the Company has issued performance rights under the Performance Rights Plan as follows:

Performance Rights Plan	Performance Rights issued
FY2016 (after 17 November 2015)	Nil
FY2017	1,535,043
FY2018	767,173

Following the satisfaction of vesting conditions, 234,030 Performance Rights converted to fully paid ordinary shares since the date of last approval of the Performance Rights Plan.

# iSelect

iSelect Limited  
ABN 48 124 302 932

## Lodge your vote:



### Online:

[www.investorvote.com.au](http://www.investorvote.com.au)



### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

## For all enquiries call:

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form



### Vote and view the annual report online


- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

Control Number: 181697

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your vote to be effective it must be received by 2.30 p.m. (Melbourne time) on Tuesday 23 October 2018**

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form →**

☐

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of iSelect Limited hereby appoint

☐

the Chair  
of the Meeting **OR**



**PLEASE NOTE:** Leave this box blank if you have selected the Chair of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of iSelect Limited to be held at 294 Bay Road, Cheltenham, Victoria on Thursday, 25 October 2018 at 2.30 p.m. (Melbourne time) and at any adjournment or postponement of that Meeting.

**Chair authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 3, 4 and 5 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 3, 4 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chair.

**Important Note:** If the Chair of the Meeting is (or becomes) your proxy you can direct the Chair to vote for or against or abstain from voting on Resolutions 1, 3, 4 and 5 by marking the appropriate box in step 2 below.

### STEP 2 Items of Business



**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Chris Knoblanche as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approve the issue of securities under the LTI Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approve the issue of securities under the Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approve the issue of LTI Plan Shares and associated loan to Arnhold Investments Pty Ltd under the LTI Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chair of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### SIGN

#### Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date    /    /