

Employee Incentive (Share Loan) Plan

Plan Rules

National Veterinary Care Ltd

MILLS OAKLEY LAWYERS
Level 12, 400 George Street
SYDNEY NSW 2000
Telephone: +61 2 8289 5800
Facsimile: +61 2 9247 1315
DX 13025, SYDNEY, MARKET STREET
www.millsoakley.com.au
Ref:9103620

Table of Contents

1	Introduction	3
1.1	Purpose of Plan	3
1.2	Risks and Implications	3
2	Invitations to participate	3
2.1	Board's discretion to make Invitations	3
2.2	Form of Invitation	3
2.3	Compliance with laws	4
3	Acquisition of Loan Shares	4
3.1	Acceptances	4
3.2	Allotment	4
3.3	Restrictions	4
4	Financial assistance	5
4.1	Company can offer Financial Assistance	5
4.2	Form of application	5
4.3	Acceptance and terms	5
4.4	When Financial Assistance repayable	5
4.5	Amount repayable.....	6
4.6	Limited recourse	6
4.7	Surplus on sale.....	6
5	Security for Financial Assistance	7
5.1	Security	7
5.2	Other Security.....	7
5.3	Bonus or entitlement issues	7
6	Vesting of Loan Shares.....	7
7	Rights attaching to Shares	7
7.1	Rights	7
7.2	Quotation.....	7
8	Share buy-back or transfer	8
8.1	When Shares are bought back or transferred	8
8.2	Buy back price	8
8.3	How Shares are bought back.....	8
9	Hedging unvested Loan Shares	8
10	Powers of the Board.....	9
11	Period of Plan	9
12	Expenses	9
13	Shares subject of Plan	9
14	Termination of Plan.....	10
15	Power of Attorney	10
16	General provisions.....	10
16.1	Participants bound.....	10
16.2	Notices	10
16.3	Effect on employee entitlements	10

16.4	Governing law.....	11
16.5	Order of precedence.....	11
17	Interpretation	11
17.1	Definitions.....	11
17.2	Construction	14
17.3	Headings	15

1 Introduction

1.1 Purpose of Plan

The Company has established this Plan to encourage Employees to share in the ownership of the Company, in order to promote the long-term success of the Company as a goal shared by the Employees.

1.2 Risks and Implications

- (a) There are risks associated with participation in the Plan. These include the risk that the acquired Loan Shares in the Company will lose value and that Participants may not benefit from their investment in Loan Shares.
- (b) Participation in the Plan also has tax and financial implications, and may have social security implications. Any advice provided by the Company in relation to the Loan Shares offered under this Plan does not take into account an Employee's objectives, financial situation and needs. Participants should consult their tax, financial or other professional advisers and obtain their own financial product advice from a person who is licenced by ASIC to give such advice.
- (c) Employees should ensure that they understand both the risks and implications of participating in the Plan before accepting an Invitation to participate in the Plan.

2 Invitations to participate

2.1 Board's discretion to make Invitations

Subject to Rule 13 (and any approval of Shareholders required by law or by the Listing Rules), the Board may from time to time invite any Employee to participate in the Plan (including Employees who are already or have been previously a Participant). The Board has an absolute discretion in determining whether to make an Invitation to an Employee, when to make an Invitation and the number of Loan Shares (if any) for which an Employee is invited to subscribe.

2.2 Form of Invitation

An Invitation shall be in writing signed by a Director of the Company and shall specify the following, to the extent applicable:

- (a) the name and address of the Employee to whom the offer is made;
- (b) the total number of Loan Shares for which the Employee may subscribe;
- (c) the Subscription Price or method for calculating the subscription price for a Loan Share;
- (d) the terms and conditions of the Financial Assistance offered;
- (e) the Performance Hurdles (if any) that apply to the Loan Shares the subject of the offer;
- (f) any Disposal Restrictions that apply to the Loan Shares the subject of the offer;
- (g) the time within and the method by which the invitation may be accepted,
- (h) any other terms or conditions the Board may think fit (including any terms or conditions required to obtain any necessary or desirable shareholder approval under the Listing Rules or the Corporations Act); and

- (i) an explanation of how an Employee could, from time to time, ascertain the market price of the underlying Loan Shares in Australian dollars.

2.3 Compliance with laws

No Invitation will be made or be capable of acceptance to the extent that any such offer would contravene the Company's Constitution, the Listing Rules, the Corporations Act or any other applicable law.

3 Acquisition of Loan Shares

3.1 Acceptances

- (a) An Invitation may be accepted in whole or in part by the invited Employee signing and returning the Acceptance Form attached to the Invitation to the person nominated in the Invitation, together with a duly executed Loan Agreement by no later than the date specified in the Invitation.
- (b) By accepting an Invitation, the Participant agrees to be bound by these Rules, the Loan Agreement and the Constitution of the Company.
- (c) An Invitation lapses if it is not accepted by the Employee to whom the Invitation is made, as required under Rule 3.1(a).

3.2 Allotment

- (a) Subject to receipt of any necessary shareholder approvals and satisfaction of any other conditions specified in the Invitation, the Board shall, upon the later of receipt of the duly completed Acceptance Form and an executed Loan Agreement allot to the Participant the number of Loan Shares to which the Acceptance Form relates.
- (b) Under no circumstances will shares be allotted under this Rule 3.2, if to do so would be in breach of the Corporations Act or Listing Rules.

3.3 Restrictions

- (a) For as long as any Loan Shares:
 - (i) are subject to Disposal Restrictions;
 - (ii) remain subject to Performance Hurdles that have not been satisfied or waived by the Board; and / or
 - (iii) remain subject to the discharge of an Amount Outstanding under a relevant Loan Agreement,those Loan Shares and any Additional Securities will be restricted.
- (b) Unless the Board resolves otherwise, for as long as any Loan Shares are restricted under Rule 3.3(a), Participants shall not grant or allow to permit to exist any Security Interest in or over, or otherwise transfer, dispose of, assign or deal with, such Loan Shares and any Additional Securities and any such Security Interest, transfer, disposal, assignment or dealing will not be recognised in any manner by the Company.
- (c) The Company may, for as long as any Loan Shares are restricted under Rule 3.3(a):
 - (i) impose a holding lock on any such Loan Shares and any Additional Securities, and by accepting an Invitation, the Participant consents to

the imposition of a holding lock. The Participant shall, if the Company requests, confirm that consent to the ASX or any other person who needs the consent to make it effective; and / or

- (ii) retain share certificates for such Loan Shares provided under these Rules.

4 Financial assistance

4.1 Company can offer Financial Assistance

The Company will provide Financial Assistance for some or all of the Subscription Price for a Loan Share by making a loan to a Participant on the terms set out in the Loan Agreement and these Rules.

4.2 Form of application

- (a) The Loan Agreement for Financial Assistance must:
 - (i) be in writing; and
 - (ii) state the terms and conditions of the Financial Assistance (which shall be supplemental to, and not inconsistent with, the terms and conditions contained in this Rule 4).
- (b) Upon acceptance of the Advance, the Eligible Employee shall be bound by the terms of the Loan Agreement and the Participant will be taken to have irrevocably directed the Company to apply the Advance to the payment of the Subscription Price of the applicable Loan Shares.

4.3 Acceptance and terms

- (a) The Company may accept an application for Financial Assistance by making a loan to the Participant (**Borrower**), on the terms of and subject to such conditions as are set out in the Loan Agreement and in these Rules.
- (b) The Company will not offer, provide, or accept an application for Financial Assistance under this Rule 4.3, if to do so would be in breach of the Corporations Act or the Listing Rules (if applicable), and the relevant Participant shall have no right of recovery or damages against the Company for any failure or any inability to provide the Financial Assistance.

4.4 When Financial Assistance repayable

- (a) Unless the terms of an Invitation specify or the Board resolves otherwise, upon the occurrence of the earliest of any of the following events, the total Amount Outstanding under a Loan Agreement must be repaid by the Borrower:
 - (i) within three months of Resignation;
 - (ii) immediately, on Dismissal;
 - (iii) immediately, (unless otherwise resolved by the Board) if a Special Circumstance occurs;
 - (iv) immediately, if the Borrower becomes subject to an application that the Borrower be made bankrupt for the purposes of the Bankruptcy Act 1966 (Cth);
 - (v) immediately, on termination of the Plan under Rule 14;

- (vi) immediately, on the Participant's Loan Shares being bought back or transferred pursuant to these Rules or the Loan Agreement;
 - (vii) immediately on any material breach by the Participant of these Rules where the breach is not remedied within 20 Business Days of the Company's notice to the Participant to do so; or
 - (viii) immediately, on the expiry of 60 months from the date on which the Advance is provided.
- (b) Unless the terms of an Invitation specify or the Board resolves otherwise, if the Performance Hurdles imposed on one or more tranches of Loan Shares to which an Amount Outstanding relates are not satisfied in accordance with their terms, the Participant must immediately repay that portion of the Amount Outstanding that relates to the acquisition of those Loan Shares.
- (c) A Participant may only make voluntary repayments or prepayments to discharge the Amount Outstanding in respect of any Loan Shares if the Performance Hurdles in respect of those Loan Share have been satisfied or waived in accordance with these Rules.
- (d) The Board may in its discretion extend the period for repayment of the Amount Outstanding, or any portion of it, or otherwise vary the terms of the Financial Assistance for the benefit of the Participant.

4.5 Amount repayable

If an Amount Outstanding, or a relevant portion of an Amount Outstanding, provided to a Borrower becomes repayable, then the Company shall accept in full and complete satisfaction of the Borrower's indebtedness and obligations to it under the relevant Financial Assistance:

- (a) if the Performance Hurdles have been satisfied or waived in accordance with these Rules, or if a Special Circumstance has occurred, the Amount Outstanding, or the relevant portion of it, in cash or by other means agreed between the Participant and the Company; or
- (b) in any event, the transfer, redelivery, deemed redelivery or (to the extent permitted by the Listing Rules) forfeiture of the applicable Loan Shares and any related Additional Securities to the Company (or its nominee, as applicable).

4.6 Limited recourse

For the avoidance of doubt, if an Amount Outstanding or a portion of it becomes repayable under these Rules or the Loan Agreement, and the Borrower is unable to repay the Amount Outstanding or the applicable portion of it under Rule 4.5(a), then Rule 4.5(b) applies and no further amount of moneys shall be repayable by the Borrower to the Company under this Plan and no further amount shall at any time be recoverable by the Company from the Borrower in respect of the shortfall.

4.7 Surplus on sale

If the Company (or its nominee) sells any Loan Shares and Additional Securities pursuant to these Rules or the Loan Agreement in order to pay any money owing by the Borrower to the Company and the proceeds of sale exceed the total Amount Outstanding, or the relevant portion of it, then the surplus shall be paid by the Company to the Borrower.

5 Security for Financial Assistance

5.1 Security

The Company shall have a lien over any Loan Shares for as long as there is an Amount Outstanding under the Loan Agreement which funded the acquisition of the relevant Loan Shares.

5.2 Other Security

The Borrower must not create other than in favour of the Company any Security Interest over any Loan Shares or Additional Securities whilst they are subject to the restrictions of the Plan. Should the Borrower attempt to create such a Security Interest the Borrower will be taken to have given the Company a direction to transfer, redeliver or forfeit (to the extent permitted by the Listing Rules) the Loan Shares and Additional Securities to the Company (or its nominee, as the case may be) as full settlement of any outstanding Financial Assistance and have no further entitlement under the Plan.

5.3 Bonus or entitlement issues

If any Shares or other securities are issued in respect of any Loan Shares as part of a bonus or entitlement issue, then those Additional Securities will also be subject to the security in this Rule 5 and other terms of this Plan as if they were Loan Shares (unless the Board determines otherwise).

6 Vesting of Loan Shares

- (a) Loan Shares held by a Participant will vest, and the Participant will become able to repay the Amount Outstanding, or the relevant portion of it, upon the satisfaction of any Performance Hurdles, and the removal or discharge of any Disposal Restrictions specified in the Invitation or in accordance with these Rules, that apply to those Loan Shares.
- (b) Performance Hurdles and Disposal Restrictions may be waived in the discretion of the Board (unless such waiver is excluded by the terms of the Loan Shares).

7 Rights attaching to Shares

7.1 Rights

The Shares issued under this Plan will upon allotment, but subject to the Rules:

- (a) be credited as fully paid;
- (b) rank equally for dividends and other entitlements where the record date is on or after the date of allotment, but will carry no right to receive any dividend or entitlement where the record date is before the date of allotment; and
- (c) otherwise rank equally with the existing issued Shares at the time of allotment.

7.2 Quotation

If the Company is Listed, then as soon as practicable after the date of the allotment of Shares, the Company will, unless the Board otherwise resolves, apply for official quotation of such Shares on the ASX.

8 Share buy-back or transfer

8.1 When Shares are bought back or transferred

Loan Shares held by a Participant may, at the Company's election, be transferred to the Company (or its nominee) and sold or bought back and cancelled if:

- (a) the Participant agrees to transfer them to the Company (or its nominee) or have them bought back:
 - (i) in satisfaction of the Amount Outstanding, or the relevant portion of it, under Rule 4.5(b); or
 - (ii) where the applicable Performance Hurdles have not been satisfied, or have otherwise failed to be satisfied, in accordance with their terms;
- (b) the Participant has not repaid the Amount Outstanding, or the relevant portion of it, in accordance with Rule 4.5(a) by the repayment due date;
- (c) the relevant Performance Hurdles have not been satisfied, or have otherwise failed to be satisfied, in accordance with their terms; or
- (d) Rule 4.5(b) applies.

8.2 Buy back price

- (a) The consideration for the buy back is the full satisfaction of any Amount Outstanding, or a relevant portion of it, provided in connection with the acquisition of those Loan Shares, even if the quantum of the Amount Outstanding is or has been reduced to nil.
- (b) The Board may determine that the Company should pay to the Participant greater consideration than set out in Rule 8.2(a), for example if the Participant has made voluntary repayments or has had dividends or other distributions credited to the Participant's Financial Assistance balance prior to the buy back.

8.3 How Shares are bought back

- (a) A Participant and the Company must do whatever is necessary or desirable to effect a buyback or transfer of Shares when required under Rule 8. Each Participant irrevocably appoints the Company and each of its Directors and secretaries from time to time severally as its attorney to sign any document necessary or desirable, and carry out any act, on that Participant's behalf for the purposes of this Rule 8.
- (b) If it is impractical to buy back Shares to which this Rule 8 applies, or if the Board in its discretion otherwise determines, the Company may instead of buying back the relevant Shares direct that they be transferred to a person nominated by the Company. Any such transfer will discharge the Participant's obligation to repay the Amount Outstanding, or the relevant portion of it, in the same way as a buy back would have done if conducted under this Rule 8.

9 Hedging unvested Loan Shares

Participants must not enter into transactions or arrangements, including by way of derivatives or similar financial products, which limit the economic risk of holding Loan Shares that remain subject to Performance Hurdles or Disposal Restrictions.

10 Powers of the Board

- (a) The Plan will be administered by the Board, or a committee of the Board, which will have an absolute discretion to:
- (i) determine appropriate procedures for administration of the Plan consistent with these Rules;
 - (ii) resolve conclusively all questions of fact or interpretation arising in connection with the Plan or these Rules;
 - (iii) delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of any of their powers or discretions under the Plan or these Rules;
 - (iv) formulate special terms and conditions (subject to the Listing Rules), in addition to those set out in these Rules to apply to Participants employed and/or resident in and/or who are citizens of countries other than Australia. Each of these special terms and conditions will be restricted in their application to those Participants employed and/or resident in and/or who are citizens of other jurisdictions; and
 - (v) subject to the Listing Rules and the Corporations Act, make such alterations, variations, additions, deletions or modifications to all or any of the provisions of these Rules or to all or any of the rights or obligations of the Participants or any of them as may be determined by the Board from time to time. However, no such alteration, variation, addition, deletion or modification shall be made if it would have the effect of depriving the holders of issued Loan Shares of any rights to which they are then entitled unless approved by 75% of the then holders of Loan Shares affected by such a change or unless the amendments are required by law.
- (b) While the Company is Listed, the Board may only exercise its powers in accordance with the Listing Rules.
- (c) The Company shall within a reasonable period afterwards give each Participant notice of any actions taken under Rule 10(a)(v).

11 Period of Plan

The Plan shall commence upon its approval by the Board, or by a committee appointed to complete the approval of the Plan on behalf of the Board, once the Company has Listed and subject to approval by members of the Company in general meeting. The Plan shall continue until terminated by resolution of the Board at any stage.

12 Expenses

The Company will meet the ongoing administration expenses of the Plan. The Participant will meet all outgoings and expenses in selling or otherwise dealing with his or her Loan Shares and Additional Securities while subject to the Plan.

13 Shares subject of Plan

An Invitation of Loan Shares must not be made if the total of the following:

- (a) the number of Shares which are the subject of the Invitation;

- (b) the total number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under:
- (i) this Plan; or
 - (ii) an ASIC exempt arrangement of a similar kind to an employee incentive scheme;

but disregarding any offer made, or Shares offered or issued, or Shares issued under another scheme, by way of or as a result of:

- (c) an offer to a person situated outside Australia at the time of receipt of the offer;
- (d) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- (e) an offer made under a disclosure document as defined in the Corporations Act, would exceed 5% of the number of Shares on issue at the time of the Offer.

14 Termination of Plan

The Board may terminate the Plan at any time. If the Board elects to do so, then all outstanding Performance Hurdles will be deemed satisfied, the Financial Assistance will be repayable and Rule 4.5(a) will apply.

15 Power of Attorney

- 15.1 In consideration of the issue of the Loan Shares, and without limiting any other power of attorney in these Rules, each Participant irrevocably appoints each director and the secretary for the time being of the Company severally as his or her attorney, to do all acts and things and to complete and execute any documents, including share transfers, in his or her name and on his or her behalf that may be convenient or necessary for the purpose of giving effect to the provisions of these Rules or the terms of an Loan Share.
- 15.2 The Participant (or after his or her death, his or her legal personal representative) will be deemed to ratify and confirm any act or thing done under this power and must indemnify the attorney in respect of doing so.

16 General provisions

16.1 Participants bound

Participants issued Loan Shares under this Plan are bound by these Rules and by the Constitution of the Company.

16.2 Notices

Any notice required to be given by the Company to a Participant or any correspondence to be made between the Company and a Participant may be given or made by the Board or its delegate on behalf of the Company.

Any notice to be given by the Company may be given by email, and any reference to the Company giving or providing information or documents in writing includes doing so by email.

16.3 Effect on employee entitlements

Participation in the Plan does not affect an Employee's terms of employment or appointment with the Company. In particular, participation in the Plan does not detract

from any right the Company may have to terminate the employment or appointment of an Employee.

Participation in the Plan, or the issuing of any Loan Shares, does not form part of the Employee's remuneration for the purposes of determining payments in lieu of notice of termination of employment, severance payments, leave entitlements, or any other compensation payable to an Employee upon the termination of employment.

16.4 **Governing law**

These Rules are governed by and are to be construed in accordance with the laws of Queensland.

16.5 **Order of precedence**

To the extent of any inconsistency between the terms and conditions of the Rules, the Loan Agreement, the Invitation and the Application Form, the inconsistency is to be resolved by preferring the terms and conditions of each document in the following order:

- (a) the Rules;
- (b) the Loan Agreement;
- (c) the Invitation; and
- (d) the Application Form.

17 **Interpretation**

17.1 **Definitions**

In these Rules unless the contrary intention appears, terms defined in the Corporations Act or the Listing Rules have the same meaning in these Rules, and:

Acceptance Form means a form of acceptance of an Invitation under Rule 2 and the form of which is approved by the Board from time to time.

Additional Securities means future bonus shares or other securities issued by the Company in respect of Loan Shares.

Advance means, in relation to a Loan Agreement the amount advanced under that Loan Agreement.

Amount Outstanding means, in relation to a Loan Agreement, at any given time, the aggregate amount of the Advance and any accrued interest payable pursuant to that Loan Agreement which is outstanding at that time.

ASIC means Australian Securities and Investments Commission.

Associates has the meaning given in section 995-1(1) of the *Income Tax Assessment Act 1997* (Cth).

Associated Company means in relation to the Company:

- (a) a body that is a related body corporate (as defined in the Corporations Act) of the Company;
- (b) a body corporate that has voting power (as defined in the Corporations Act) in the Company of not less than 20%; or
- (c) a body corporate in which the Company has voting power (as defined in the Corporations Act) of not less than 20%.

ASX means Australian Securities Exchange as currently managed by ASX Limited ACN 008 624 691.

Board means some or all of the board of directors of the Company acting as a board, as constituted from time to time, and includes a committee or representative of the board as established by the board of directors of the Company from time to time for the purpose of making decisions as required under this Plan.

Borrower means a Participant who receives Financial Assistance.

Company means National Veterinary Care Ltd ACN 166 200 059.

Casual Employee in relation to a Company or an Associated Company, means an individual who is, or might be reasonably expected to be, engaged to work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with the applicable body corporate.

Contractor in relation to a listed body or an Associated Company means:

- (a) an individual with whom the applicable body corporate has entered into a contract for the provision of services under which the individual performs work for the relevant body corporate; or
- (b) a company with whom the applicable body corporate has entered into a contract for the provision of services under which an individual, who is a director of the company or their spouse, performs work for the relevant body corporate.

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

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

Director means a director of the Company or (if applicable) any Associated Company.

Dismissal means the termination of employment of a Participant for a reason which entitles the Company or an Associated Company to dismiss the Participant without notice or for committing any act of fraud, defalcation or gross misconduct in relation to the affairs of the Company or any Associated Company (whether or not charged with an offence) or doing any act which in the reasonable opinion of the Board brings the Company or any Associated Company into disrepute.

Disposal Restrictions means, in relation to a Loan Share, any restrictions in relation to the transfer, disposal or assignment of, or other dealing with, that Loan Share which are either set out in these Rules or the Invitation.

Employee means a full-time or part-time employee (including an executive director); a non-executive director, a Contractor or a Casual Employee of the Company or any Associated Company.

Financial Assistance means a loan made to a Borrower on the terms and conditions of a Loan Agreement to enable the Borrower to subscribe for Loan Shares.

Invitation means an invitation to join the Plan completed in accordance with Rule 2.2, which must include:

- (a) these Plan Rules;
- (b) any Loan Agreement to be executed in respect of the offer of Loan Share;
- (c) an Application Form; and
- (d) any other document determined by the Board to form part of an Invitation for the purposes of these Rules.

Listed means the Company being and remaining admitted to the official list of the ASX.

Listing Rules means the official listing rules of the ASX.

Loan Agreement means an agreement between the Company and an Employee evidencing an Advance of money by the Company to assist with the acquisition of Loan Shares, in the form approved by the Board from time to time.

Loan Shares means ordinary shares in the Company each carrying the same dividend rights and otherwise ranking *pari passu* in all respects with the issued ordinary shares of the Company, acquired whether in part or in whole using an Advance made under a Loan Agreement.

Participant means an Employee who has accepted an Invitation to participate in the Plan and who agrees to be bound by these Rules.

Performance Hurdles means any conditions described in the Invitation that must be satisfied before a Loan Share is no longer subject to transfer, redelivery, buy back or (to the extent permitted by the Listing Rules) forfeiture under these Rules and the terms of an Invitation.

Plan means the 'National Veterinary Care Employee Incentive (Share Loan) Plan' established and operated in accordance with these Rules.

Resignation means the termination of an Employee's engagement as an employee by the volition of the Employee, but does not include Dismissal or resignation by the Employee from employment with the Company or any subsidiary company in order to become an employee of the Company or any subsidiary company or taking approved study leave or approved leave of absence.

Rules means the Rules governing the Plan in relation to Participants set out in this instrument, as amended from time to time.

Security Interest means:

- (a) a mortgage, charge, pledge, lien, encumbrance, security interest, title retention, preferential right, trust arrangement, contractual right of set off or any other security agreement or arrangement in favour of any person; and
- (b) without limiting paragraph (a) of this definition, a "security interest" as defined in the *Personal Property Securities Act 2009* (Cth).

Share means a fully paid ordinary share of the Company.

A Special Circumstance means the occurrence of:

- (a) the death of the Participant;
- (b) circumstances which, in the opinion of the Board, constitute total and permanent disablement of the Participant;
- (c) termination of a Participant's employment with the Company or with an Associated Company which, in the opinion of the Board, occurs by reason of either:
 - (i) a restructure or state of affairs within the Company or its Associated Company whereby the position previously being occupied by the Participant no longer exists within the Company or its Associated Company; or

- (ii) the Associated Company that employs a Participant ceasing to be an Associated Company;
- (d) the Board determining that there are circumstances which have occurred or are likely to occur which will result in significant changes to the structure or Control of the Company which may adversely affect the rights of or value of Plan benefits to Participants, and gives written notice of such determination to the Participant;
- (e) any of the following events:
 - (i) offers are made to acquire the whole of the issued ordinary share capital of the Company (or such part thereof as is not at the time owned by the offeror or any company controlled by the offeror or Associates of the offeror) and after the announcement of the general offer the offeror (and any such companies or Associates) acquires Control of the Company;
 - (ii) offers are made to acquire the whole of the issued ordinary share capital of the Company (or such part thereof as aforesaid) by any person who (together with any company controlled by such person or Associates of the person) has Control of the Company; or
 - (iii) a resolution for a members' voluntary winding up of the Company is passed (other than for the purpose of a reconstruction or amalgamation).

Subscription Price in respect of a Loan Share means, in Australian dollars:

- (a) if there was at least one transaction on the ASX in fully paid ordinary shares in the capital of the Company during the one week period before the date of the Invitation referred to in Rule 2 – the volume weighted average of the prices at which those shares were traded on the ASX during the one week period before that date; or
- (b) if there were no such transactions on the ASX in that one week period in such shares - the last price at which an offer was made on the ASX in that period to buy such a share; or
- (c) if the Company is not trading on the ASX, the amount (if any) payable for the issue of a Loan Share as stated in the Invitation.

17.2 Construction

In these Rules, unless expressed to the contrary:

- (a) terms defined in the Corporations Act have the same meaning in these Rules;
- (b) words importing:
 - (i) the singular include the plural and vice versa;
 - (ii) any gender include the other genders;
- (c) if a word or phrase is defined cognate words and phrases have corresponding definitions;
- (d) a reference to:
 - (i) a person includes its legal personal representatives, successors and assigns;

- (ii) a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (iii) a right includes a benefit, remedy, discretion, authority or power;
- (iv) an obligation includes a warranty or representation and a reference to a failure to observe or perform an obligation includes a breach of warranty or representation;
- (v) “\$” or “dollars” is a reference to the lawful currency of Australia;
- (vi) this or any other document includes the document as varied or replaced and notwithstanding any change in the identity of the parties; and
- (vii) any thing (including, without limitation, any amount) is a reference to the whole or any part of it and a reference to a group of things or persons is a reference to any one or more of them.

17.3 Headings

Headings do not affect the interpretation of these Rules.