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**EMPLOYEE INCENTIVE PLAN**

Adopted by the Board on 17 December 2015

As amended with the approval of Shareholders on  
17 November 2022

## CONTENTS

1	PURPOSE.....	1
2	COMMENCEMENT .....	1
3	NOT USED .....	1
4	ELIGIBILITY AND GRANT .....	1
5	OPERATION OF PLAN .....	2
6	OPTION TERMS .....	2
7	RIGHT TERMS.....	3
8	PERFORMANCE CRITERIA FOR PERFORMANCE RIGHTS .....	4
9	VESTING CONDITIONS FOR SERVICE RIGHTS.....	4
10	EXERCISE RESTRICTIONS .....	5
11	DISPOSAL RESTRICTION ATTACHED TO SHARES .....	5
12	EXERCISE OF OPTIONS AND RIGHTS.....	5
13	EMPLOYEE SHARE TRUST .....	6
14	EMPLOYEE SHARE SCHEME TAXING PROVISIONS TO APPLY .....	6
15	QUOTATION.....	6
16	CESSATION OF EMPLOYMENT.....	7
17	RETIREMENT BENEFIT LIMIT.....	7
18	LAPSE OF OPTIONS AND PERFORMANCE RIGHTS .....	7
19	ISSUE OF SHARES.....	8
20	EMPLOYEE LOAN .....	9
21	REPAYMENT OF EMPLOYEE LOAN .....	9
22	RIGHTS ATTACHING TO PLAN SHARES .....	10
23	DISPOSAL RESTRICTIONS ON PLAN SHARES .....	10
24	HOLDING PERIOD.....	10
25	NOMINEE.....	10
26	FORFEITURE.....	11
27	BUY-BACK .....	11
28	BUY-BACK PRICE FOR SHARES .....	12
29	CANCELLATION .....	12
30	CAPITAL RECONSTRUCTIONS.....	12
31	TAKEOVERS .....	12
32	RECONSTRUCTIONS .....	13
33	SEPARATE CLAWBACK OR MALUS POLICY.....	13
34	CONTRAVENTION OF APPLICABLE LAWS.....	14
35	ADMINISTRATION OF THE PLAN .....	14
36	PLAN AMENDMENT.....	14
37	TERMINATION OR SUSPENSION .....	15

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38	NO EMPLOYMENT CONTRACT .....	15
39	ASIC RELIEF .....	16
40	NON-EXCLUSIVITY .....	16
41	GENERAL .....	16
42	DEFINITIONS AND INTERPRETATION .....	17

## **1 PURPOSE**

- 1.1 The purpose of the Plan is to:
- 1.1.1 assist in the reward, retention and motivation of Eligible Employees;
  - 1.1.2 link the reward of Eligible Employees to Shareholder value creation; and
  - 1.1.3 align the interests of Eligible Employees with Shareholders by providing an opportunity to Eligible Employees to earn rewards via an equity interest in the Company based on creating Shareholder value.

## **2 COMMENCEMENT**

The Plan will commence on a date determined by resolution of the Board (and if no date is specified, on the date the Plan is approved by the Board).

## **3 NOT USED**

## **4 ELIGIBILITY AND GRANT**

### **Participation**

- 4.1 The Board may from time to time in its sole and absolute discretion determine that an Eligible Employee may participate in the Plan.

### **Selection**

- 4.2 Following determination that an Eligible Employee may participate in the Plan, the Board may at any time, and from time to time, make an Offer to the Eligible Employee.

### **Offer**

- 4.3 Subject to clause 4.4, the manner, form, content, timing and frequency of Offers will be as determined by the Board in its sole and absolute discretion.
- 4.4 An Offer must be set out in an Offer Letter delivered to the Eligible Employee and specify:
- 4.4.1 the number of Shares, Options, Performance Rights, Service Rights or Restricted Rights;
  - 4.4.2 the conditions on the Offer (Offer Conditions);
  - 4.4.3 the Grant Date;
  - 4.4.4 the Fee (if any);
  - 4.4.5 the Performance Criteria (if any);
  - 4.4.6 the Vesting Conditions (if any);
  - 4.4.7 the Exercise Price (if any);
  - 4.4.8 the Exercise Period (if applicable);
  - 4.4.9 the Expiry Date and Term (if applicable);
  - 4.4.10 the Forfeiture Conditions (if any);
  - 4.4.11 any Restrictions attaching to the Shares or Plan Shares together with the Restriction Period;
  - 4.4.12 the terms of any Employee Loan to be made by the Company to the Employee in accordance with this Plan to fund the purchase of Shares offered (if applicable); and
  - 4.4.13 any other information required under any Applicable Law.
- 4.5 An Offer must be accompanied by an Application and a copy of this Plan.

### **Application**

- 4.6 Unless otherwise determined by the Board in its sole and absolute discretion, an Eligible Employee that wishes to apply to participate in the Plan in response to an Offer must, on or before the period of time allowed for acceptance of the Offer, give an Application:
- 4.6.1 to the person specified in the Offer Letter; and
  - 4.6.2 in accordance with any instructions or conditions set out in the Offer Letter.
- 4.7 An Eligible Employee may accept less than the total number of Shares, Options, Performance Rights, Service Rights or Restricted Rights in an Offer.

### **Multiple Offers**

- 4.8 Unless otherwise determined by the Board in its sole and absolute discretion, the Board may make any number of issues to Eligible Employees, as set out in any Offer, notwithstanding that an issue or issues may have been previously made to any Eligible Employee.

### **Right to reject Applications**

- 4.9 The Board is entitled to reject any Application by an Eligible Employee to participate in this Plan without giving any reason.

### **Acceptance of Offer**

- 4.10 A person to whom an Offer is made may accept the Offer by completing the acceptance form and giving it to the person specified in the Application, by 5.00pm on the last day of the acceptance period specified in the Offer.
- 4.11 The Board must notify the Eligible Employee promptly, if the Board resolves to accept the Eligible Employee's Application.
- 4.12 Once that notice is given, a contract is formed under which an Eligible Employee:
- 4.12.1 becomes bound by the terms and conditions of the Offer Letter, this Plan and the Company's Constitution; and
- 4.12.2 agrees to the issue of the Shares, Options, Performance Rights, Service Rights or Restricted Rights in accordance with the terms and conditions of the Eligible Employee's Application.
- 4.13 In accordance with the Company's reporting obligations under Australian and other tax legislation, each participant consents to the disclosure of information about this Plan and its participants to the Australian Tax Office or another tax authority.

## **5 OPERATION OF PLAN**

- 5.1 This Plan is administered by the Board, which has power to:
- 5.1.1 determine appropriate procedures for administration of this Plan consistent with this Plan;
- 5.1.2 resolve conclusively all questions of fact or interpretation in connection with this Plan;
- 5.1.3 appoint a person to be the Plan Administrator;
- 5.1.4 delegate to any persons (including, without limitation, a Plan Administrator) for such period and on such terms as it sees fit the exercise of any of its powers or discretions under this Plan; and
- 5.1.5 take and rely on independent professional or expert advice in or in relation to the exercise of any of its powers or discretions under this Plan.
- 5.2 Where the Board is to make a determination, decision, approval or give any opinion under this Plan, the Board or the Company may do so in its absolute discretion.
- 5.3 Any power or discretion which is conferred on the Board or the Company by this Plan may be exercised by the Board in the interests, or for the benefit, of the Company and the Board is not, in exercising any such power or discretion, under any fiduciary or other obligation to any other person including, for the avoidance of doubt, any Eligible Employee or any Participant.

## **6 OPTION TERMS**

### **Option entitlements**

- 6.1 Subject to the Board determining otherwise prior to an Offer, each vested Option entitles the Participant holding the Option to subscribe for, or to be transferred, one Plan Share on payment of the Exercise Price (if any).

### **Participant rights**

- 6.2 A Participant who holds Options is not entitled to the following in respect of those Options:
- 6.2.1 notice of, or to vote or attend at, a meeting of the Shareholders;
- 6.2.2 receive any dividends declared by the Company; or
- 6.2.3 participate in any new issues of securities offered to Shareholders during the term of the Options, unless and until the Options are exercised and the Participant holds Plan Shares.

### **Conditions for vesting and exercise**

- 6.3 The Board will determine prior to an Offer being made and specify in the Offer any Performance

Criteria and/or Vesting Conditions attaching to the Options.

- 6.4 Options will only vest and be exercisable if the applicable Performance Criteria and/or Vesting Conditions (if any) have been satisfied, waived by the Board, or are deemed to have been satisfied under these Rules.
- 6.5 In the event of a Liquidity Event, the Board in its absolute discretion may waive any vesting or exercise criteria in respect of some or all Options held by a Participant.

#### **No transfer of Options**

- 6.6 Options granted under this Plan may not be assigned, transferred, encumbered with a Security Interest in or over them, or otherwise disposed of by a Participant, unless:
- 6.6.1 the prior consent of the Board is obtained, which consent may impose such terms and conditions on such assignment, transfer, encumbrance or disposal as the Board sees fit; or
- 6.6.2 such assignment or transfer occurs by force of law upon the death of a Participant to the Participant's legal personal representative.

#### **Options to be recorded**

- 6.7 Options will be recorded in the appropriate register of the Company.

#### **Adjustment for rights issue**

- 6.8 If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{(E[P-(S+D)])}{N+1}$$

O = the old Exercise Price of the Option.

E = the number of underlying Shares into which one Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rata issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one new share.

#### **Adjustment for bonus issue of Shares**

- 6.9 If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):
- 6.9.1 the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Participant would have received if the Participant had exercised the Option before the record date for the bonus issue; and
- 6.9.2 no change will be made to the Exercise Price.

#### **Adjustment for bonus issue of Shares**

- 6.10 If there is any reorganisation of the issued share capital of the Company, the rights of the Participant who holds Options will be varied to comply the Listing Rules which apply to the reorganisation at the time of the reorganisation.

## **7 RIGHTTERMS**

#### **Offer of Performance Rights, Service Rights or Restricted Rights**

- 7.1 The Board may offer Performance Rights, Service Rights and/or Restricted Rights to any Eligible Employee at its sole discretion. Each Performance Right, Service Right or Restricted Right confers an entitlement to be provided with one Plan Share, credited as fully paid, at no cost, upon the full satisfaction of the Performance Criteria specified by the Board in relation to that Performance Right or the satisfaction of Vesting Conditions specified by the Board in relation to that Service Right, or are waived by the Board, or are deemed to have been satisfied under these Rules.

## **Participant rights**

- 7.2 A Participant who holds Performance Rights, Service Rights or Restricted Rights is not entitled in respect of those Rights to:
- 7.2.1 notice of, or to vote or attend at, a meeting of the Shareholders; or
- 7.2.2 receive any dividends declared by the Company,

unless and until the Performance Rights, Service Rights or Restricted Rights are exercised and the Participant holds Plan Shares.

## **Performance Rights, Service Rights or Restricted Rights subject to this Plan**

- 7.3 Performance Rights, Service Rights and Restricted Rights will be governed by this Plan until the Performance Rights, Service Rights or Restricted Rights lapse.

## **Performance Rights, Service Rights or Restricted Rights not property**

- 7.4 A Participant's Performance Rights, Service Rights and Restricted Rights are personal contractual rights granted to the Participant only and do not constitute any form of property.

## **Rights May Not Be Disposed of or Transferred or Encumbered**

- 7.5 Rights may not be disposed of or transferred or otherwise dealt with (including for purposes of this Rule, encumbered or made subject to any interest in favour of any other person) and will lapse immediately on purported disposal, transfer or dealing unless the transfer is effected by operation of law on death or legal incapacity to the Participant's legal personal representative.

## **8 PERFORMANCE CRITERIA FOR PERFORMANCE RIGHTS**

### **Board may determine Performance Criteria**

- 8.1 The Board may at its sole discretion determine the Performance Criteria which will apply to any Performance Rights granted under this Plan. The Performance Criteria will specify the criteria which the Eligible Employee is required to meet in the specified Performance Period in order for the Performance Rights to vest.
- 8.2 The Board will provide written notice of the Performance Criteria before the commencement of the Performance Period to which those Performance Criteria relate. However, if the Board grants Performance Rights after a Performance Period has already commenced, then the Board will provide such notice no later than the time at which it grants those Performance Rights.
- 8.3 The Board may vary the Performance Criteria and/or the Performance Period after the grant of those Performance Rights, subject to:
- 8.3.1 The Company complying with any Applicable Laws;
- 8.3.2 The Performance Criteria and/or the Performance Period as varied being no less favourable to the Participant than the terms upon which the Performance Rights were originally granted; and
- 8.3.3 The Board promptly notifying a Participant of any such variation.
- 8.4 The Board will determine whether (and, where applicable, to what extent) the Participant has satisfied the Performance Criteria applicable to the Performance Period at the end of the Performance Period. As soon as practicable after making that determination the Board must inform the Participant of that determination, and of the number of Performance Rights that have vested via a Vesting Notice.
- 8.5 Where the number of Performance Rights that have vested in respect of a Performance Period is less than the number of Performance Rights granted to the Participant for that Performance Period, then any Performance Rights that have not vested and for which there is no further opportunity to vest, will immediately lapse.

## **9 VESTING CONDITIONS FOR SERVICE RIGHTS**

### **Board may determine Vesting Conditions**

- 9.1 The Board may at its sole discretion determine the Vesting Conditions which will apply to any Service Rights granted under this Plan. The Vesting Conditions will specify a period of service with the Company which the Eligible Employee is required to fulfil in the specified Performance Period in order for the Service Rights to vest.
- 9.2 The Board will provide written notice of the Vesting Conditions no later than the time at which it

grants Service Rights.

- 9.3 The Board may vary the Vesting Conditions after the grant of those Service Rights, subject to:
- 9.3.1 The Company complying with any Applicable Laws;
- 9.3.2 The Vesting Conditions as varied being no less favourable to the Participant than the terms upon which the Service Rights were originally granted; and
- 9.3.3 The Board promptly notifying a Participant of any such variation.
- 9.4 The Board will determine whether (and, where applicable, to what extent) the Participant has satisfied the Vesting Conditions at the end of the Performance Period. As soon as practicable after making that determination the Board must inform the Participant of that determination, and of the number of Service Rights that have vested via a Vesting Notice.
- 9.5 Where the number of Service Rights that have vested in respect of a Performance Period is less than the number of Service Rights granted to the Participant for that Performance Period, then any Service Rights that have not vested will immediately lapse if there is no further opportunity for them to vest.

## **10 EXERCISE RESTRICTIONS**

- 10.1 An Offer may specify an Exercise Restriction which is a period (Restriction Period) during which Rights may not be exercised, and any attempt to do so will be considered void, subject to the early release of Exercise Restrictions as provided for in these Rules.
- 10.2 The Board may in its absolute discretion waive the remaining portion of the Exercise Restriction period.

## **11 DISPOSAL RESTRICTION ATTACHED TO SHARES**

- 11.1 All Shares acquired by Participants or held by the trustee of an employee share trust for the benefit of Participants as a consequence of the exercise of Rights will generally be Restricted Shares, and shall be subject to a disposal restriction being that such Shares may not be sold or disposed of in any way until their sale would not breach either:
- 11.1.1 the Company's share trading policy, or
- 11.1.2 Division 3 of Part 7.10 of the Corporations Act,
- following expiry of the Restriction, if any, applicable to the Restricted Shares.
- 11.2 Any attempt by a Participant to deal in or dispose of Restricted Shares will result in forfeiture of the Restricted Shares by the Participant, and the Board may require the Participant to facilitate a transfer of forfeited Restricted Shares to another party nominated by the Board, for nil consideration.
- 11.3 In cases of severe and demonstrable hardship the Board may in its absolute discretion waive the remaining portion of the Restriction Period.
- 11.4 If Shares subject to Restrictions are held in the name of the Participant, then the Company shall impose a CHES holding lock to ensure that the disposal restrictions are complied with.
- 11.5 On the first occasion following the cessation of Restrictions, if any, when Shares may be sold without breaching the Company's share trading policy the Board will advise the Participant in writing of the date of that occasion. A Cessation of Disposal Restrictions Notice will be used for this purpose. However, if sale of the Shares may not be undertaken due to Division 3 of Part 7.10 of the Corporations Act (insider trading restriction provisions) then the effective date of the Cessation of Disposal Restrictions Notice will be taken to be delayed until the next point in time when sales of Shares may occur without breaching either the Company's share trading policy or Division 3 of Part 7.10 of the Corporations Act (insider trading restriction provisions).

## **12 EXERCISE OF OPTIONS AND RIGHTS**

### **Exercise Period**

- 12.1 The Exercise Periods for Options and Rights will be as determined by the Board in its sole and absolute discretion and specified in the relevant Offer.

### **Method of exercise**

- 12.2 Following the issuing of a Vesting Notice to the Participant, the Option or Right is exercisable by the Participant within the Exercise Period specified by the Board in the Offer, subject to the



Participant providing to the Company:

- 12.2.1 a Notice of Exercise; and
- 12.2.2 in the case of an Option, subject to clause 12.4, a cheque or cash or such other form of payment determined by the Board in its sole and absolute discretion as satisfactory for the amount of the Exercise Price (if any).

**No issue unless cleared funds**

- 12.3 Where a cheque is presented as payment of the Exercise Price on the exercise of Options, the Company will not, unless otherwise determined by the Board, allot and issue or transfer Plan Shares until after any cheque delivered in payment of the Exercise Price has been cleared by the banking system.

**Cashless exercise of Options**

- 12.4 The Board may determine in its sole and absolute discretion that a Participant will not be required to provide payment of the Exercise Price of Options by cash, cheque or some other method acceptable to the Company, but that on exercise of the Options, the Company will only allot and issue or transfer that number of Plan Shares to the Participant that are equal in value to the difference between the Exercise Price otherwise payable in relation to the Options and the then Market Value of the Plan Shares as at the time of the exercise (with the number of Plan Shares rounded down).

**Minimum Exercise**

- 12.5 Options and Rights must be exercised in multiples of 1,000 unless fewer than 1,000 Options or Rights are held by a Participant or the Board otherwise agrees.

**Actions on exercise**

- 12.6 On completion of the exercise of Options and Rights:
  - 12.6.1 the Options or Rights will automatically lapse; and
  - 12.6.2 the Company will allot and issue, or transfer, the number of Plan Shares for which the Participant is entitled to subscribe for or acquire through the exercise of the Options or Rights.

**13 EMPLOYEE SHARE TRUST**

- 13.1 The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Plan Shares for Participants under the Plan and delivering Plan Shares to Participants upon exercise of the Options, Performance Rights, Service Rights and Restricted Rights.

**14 EMPLOYEE SHARE SCHEME TAXING PROVISIONS TO APPLY**

- 14.1 Subdivision 83A-C of the Income Tax Assessment Act 1997 applies to this Plan including to all Options and Rights granted under the Plan and all Shares that arise from the exercise of Options and Rights.

**15 QUOTATION**

- 15.1 The Company will not seek official quotation of any Options, Performance Rights, Service Rights or Restricted Rights.
- 15.2 The Company must use all reasonable endeavours to obtain the grant of quotation of Shares issued under this Plan or issued on exercise of Options or Rights under this Plan on the ASX and, subject to Listing Rules, on any other exchange on which the Company's shares are quoted. This is subject to there being no applicable trading restrictions under:
  - 15.2.1 this Plan;
  - 15.2.2 the Listing Rules; or
  - 15.2.3 the Corporations Act 2001 (Cth).
- 15.3 The Company must issue and allot Shares and apply for official quotation of those Shares:

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- 15.3.1 where the Company satisfies the requirements of section 708A(5) of the Corporations Act 2001 (Cth), ten Business Days after the later of:
- 15.3.1.1 for so long as the Company is not in possession of Excluded Information, the date of receipt of the Notice of Exercise (**Notification Date**); or
- 15.3.1.2 the date that the Company ceases to be in possession of Excluded Information in respect of the Company (if any); or
- 15.3.2 where the Company does not satisfy the requirements of section 708A(5) of the Corporations Act 2001 (Cth), 20 Business Days after the Notification Date.

## **16 CESSATION OF EMPLOYMENT**

### **Bad Leaver**

- 16.1 Where a Participant who holds Options or Rights becomes a Bad Leaver, unless the Board determines otherwise, in its sole and absolute discretion, all vested and unvested Options and Rights will lapse.

### **Otherwise**

- 16.2 If a Participant ceases to be an employee of the Group, then Options and Performance Rights which are not vested and were granted in the financial year of the cessation of employment will be forfeited, unless and to the extent otherwise determined by the Board in its discretion.
- 16.3 If a Participant ceases to be an employee of the Group, then Service Rights will be dealt with as specified in the relevant Offer. In respect of Service Rights that are not forfeited at termination, the Board has discretion to determine that any service conditions have been fulfilled at the end of the Performance Period, regardless of whether or not a Participant remains employed by the Group.
- 16.4 If a Participant ceases to be an employee of the Group, any remaining unvested Options and Rights held by the Participant shall be assessed by the Board in its discretion to determine the extent, if any, of vesting. Participants will be advised as to the extent of vesting via a Vesting Notice. Any remaining unvested Options and Rights will lapse.
- 16.5 Vested Options and Rights held by former employees of the Group must be exercised within 90 days of the foregoing Vesting Notice being given to the Participant or they will lapse.
- 16.6 In respect of a Participant that is not an Australian resident, the Offer may specify alternative treatment of Options, Performance Rights, Service Rights and Restricted Rights in the case the Participant ceases to be an employee of the Group, including with regards to the treatment of Exercise Restrictions and Disposal Restrictions.

## **17 RETIREMENT BENEFIT LIMIT**

- 17.1 Notwithstanding any other provision in these Rules, the Company is not required to provide or procure the provision of any benefit which would result in a breach by the Company of Division 2 of Part 2D.2 of the Corporations Act relating to termination benefits to any Participants who are the holder of an managerial or executive office unless any prior approval required from the Shareholders for the provision of such a benefit has been sought and obtained by the Company.

## **18 LAPSE OF OPTIONS AND PERFORMANCE RIGHTS**

### **When do Options and Performance Rights, Service Rights or Restricted Rights lapse?**

- 18.1 Subject to clause 18.2 or the Board deciding otherwise, a Participant's Options and Performance Rights, Service Rights or Restricted Rights shall automatically be cancelled for no consideration on the earliest to occur of the following:

- 18.1.1 where clause 26 applies;
- 18.1.2 where the Board has determined that the Participant has, by any act or omission, brought the Company into disrepute;
- 18.1.3 the receipt by the Company of notice from the Participant (after a Special Circumstance has arisen with respect to the Participant) that the Participant has elected to surrender the Option or Performance Right;
- 18.1.4 any other circumstances specified in any Offer Letter pursuant to which the Options or Performance Rights, Service Rights or Restricted Rights were issued; and
- 18.1.5 there being no future opportunity for unvested Options and Rights to vest.

### **Discretion of Board**

- 18.2 The Board may decide to allow a Participant to:
  - 18.2.1 exercise any or all of their Options or Rights, whether or not the Performance Criteria or Vesting Conditions have been satisfied, and whether or not the Options or Rights would otherwise have lapsed, provided that no Options or Rights will be capable of exercise later than the relevant Expiry Date for those Options or Rights; and
  - 18.2.2 retain any Performance Rights, Service Rights or Restricted Rights regardless of:
    - 18.2.2.1 the expiry of the Performance Period to which those Performance Rights relate; or
    - 18.2.2.2 any failure by the Participant to satisfy in part or in full the Performance Criteria specified by the Board in respect of those Performance Rights;
 in which case, the Board may:
    - 18.2.3 determine that any or all of those retained Performance Rights or Service Rights shall vest and the corresponding Shares shall be provided to the Eligible Employee; or
    - 18.2.4 determine a new Performance Period for those retained Performance Rights or Service Rights and notify the Participant of that Period as soon as practicable.

### **Determination whether to exercise discretion**

- 18.3 The Board may have regard to whatever matters it thinks reasonable when making a decision about the matters in clause 18.2 with respect to a Participant, including any of the following factors:
  - 18.3.1 the reason for the cessation of employment with the Company;
  - 18.3.2 (in the case of Options only) the length of time between the date of cessation of employment and the Expiry Date;
  - 18.3.3 (in the case of Performance Rights, Service Rights or Restricted Rights only), the Participant's reasons for any failure to satisfy any Performance Criteria;
  - 18.3.4 the total length of service of the person as an employee with the Company;
  - 18.3.5 if the cessation of employment is related to the person's performance, then the extent to which the person has been given warning of their performance inadequacies;
  - 18.3.6 information provided by the person to the Board to support any claim to exercise the discretion in the person's favour; or
  - 18.3.7 Applicable Law.

### **Effect of lapse**

- 18.4 All rights of a Participant under this Plan in respect of an Option or Right cease upon the Option or Right lapsing. No consideration or compensation will be payable to any person in relation to that lapse.
- 18.5 The Company will, with respect to any Option or Performance Right that has lapsed in accordance with this clause 18:
  - 18.5.1 notify the Participant that the relevant Options or Rights held by them have lapsed;
  - 18.5.2 arrange for the Participant or the Participant's agent or attorney to sign any transfer documents as may be required to transfer or otherwise deal with the Options or Rights; and
  - 18.5.3 not be liable for any damages, compensation or other amounts to the Participant in respect of the Options or Rights.

## **19 ISSUE OF SHARES**

### **Issue of Shares directly to Eligible Employee**

- 19.1 The Company will issue Shares or acquire and transfer Shares directly to the Eligible Employee where Shares are to be provided under this Plan, unless the Board determines otherwise.
- 19.2 All Shares issued to a Participant will be subject to any Offer Conditions specified in the Offer and will remain Restricted Shares until all applicable Offer Conditions have been satisfied.

### **Restrictions on Shares**

- 19.3 A Participant must comply with any Restrictions applicable to any Shares held by the Participant during the Restriction Period. The Company may place a holding lock or similar arrangement to give effect to the Restrictions.

### **Forfeiture of Shares**

- 19.4 A Participant (and any person claiming through a Participant) will forfeit any right or entitlement in any Shares under the Plan, if during the Restriction Period, that Eligible Employee has:
- 19.4.1 been dismissed or removed from office for a reason which the Company is entitled to dismiss the Participant without notice or has committed any act of fraud, defalcation or gross misconduct in relation to the affairs of the Company (whether or not charged with an offence);
- 19.4.2 by their act or omission, done anything which brings the Company into disrepute; or
- 19.4.3 ceases to be employed by the Company and the Board directs that such Shares are to be forfeited.
- 19.5 The Board must not issue and allot any Shares to a person if:
- 19.5.1 the issue of the shares is prohibited under the Corporations Act without a disclosure document, product disclosure statement or similar document; or
- 19.5.2 any Employee Loan included in the Offer would not be 'exempted financial assistance' under section 260C(4) of the Corporations Act if accepted by the Participant.
- 19.6 The Company may require from the Participant a signed blank transfer in relation to those Shares or any other documentation upon the issue or transfer of Shares to a Participant. The Participant must provide such a transfer or such other documentation.

## **20 EMPLOYEE LOAN**

- 20.1 As part of any Offer, the Board may, in its absolute discretion, offer to a Participant a limited recourse, interest free loan to be made by the Company to the Participant for an amount equal to the Issue Price for the Shares offered to the Participant pursuant to the relevant Offer (**Employee Loan**).
- 20.2 An Employee Loan must be used for the sole purpose of paying the Company the Issue Price for Shares to be issued to the Participant on acceptance of the relevant Offer, with the amount to be advanced to the Participant under the Employee Loan applied to payment of the Issue Price for such Shares.
- 20.3 In the event that the Employee Loan is repayable by the Participant to the Company, the Company's sole recourse in the event that the Employee Loan is not repaid will be limited to the Shares to which the Employee Loan relates and the Company may deal with those shares in accordance with clause 21.5 or 27.

## **21 REPAYMENT OF EMPLOYEE LOAN**

- 21.1 A Participant may repay an Employee Loan in any of the following ways:
- 21.1.1 by specific payments;
- 21.1.2 by directing the Board to apply dividends (net of tax) from the Shares toward the repayment of the loan; or
- 21.1.3 in accordance with clause 21.4 below.
- 21.2 If a Participant has more than one Employee Loan and makes a specific payment without specifying to which Employee Loan the payment is directed, payments will be directed to the earliest Employee Loan.
- 21.3 If a Participant ceases to be a Participant, fails to comply with any obligations under this Plan or seeks to Transfer any shares issued under this Plan other than in accordance with the terms of this Plan or the Constitution, the Board, may by written notice to the Participant, require repayment of all Employee Loans (**Employee Loan Repayment Notice**).
- 21.4 Unless the Board, in its absolute discretion, determines otherwise, the date on which an Employee

Loan must be repaid by the Participant shall be the later of the date specified by the Board in the Employee Loan Repayment Notice (if any) and:

- 21.4.1 where the Company has the right to Buy-Back any Shares under this Plan, but does not exercise that right during the applicable Buy-Back Period, the date being 30 days after the expiry of the applicable Buy-Back Period; and
- 21.4.2 where the Company has the right to Buy-Back any Shares under this Plan and exercises that right, the date of completion of the Buy-Back of the relevant Shares.
- 21.5 If an Employee Loan is not repaid in full by the date specified by the Board for repayment, the Board may:
  - 21.5.1 sell the relevant Shares or dispose of such number of relevant Shares for their market price as the Board determines in its absolute discretion; or
  - 21.5.2 Buy-Back such number of relevant Shares for the price determined under clause 28.
- 21.6 The Board must apply the proceeds of the sale or disposal first, towards meeting the costs of the sale or disposal, second, towards repaying the outstanding amount under the relevant Employee Loan, third, towards repaying any amount owed (on any account) to the Company by the Participant, and fourth, any amounts remaining to the Participant.

## **22 RIGHTS ATTACHING TO PLAN SHARES**

### **Shares to rank equally**

- 22.1 Any Plan Shares allotted, issued or transferred by the Company to a Participant under the Plan will rank equally with all existing Shares, including those Shares issued, directly, under this Plan, on and from the date of allotment, issue or transfer in respect of all rights and bonus issues, and dividends which have a record date for determining entitlements on or after the date of allotment, issue, or transfer of those Plan Shares.

## **23 DISPOSAL RESTRICTIONS ON PLAN SHARES**

- 23.1 A Participant must comply with any Restrictions applicable to any Plan Shares held by the Participant during the Restriction Period. The Company may place a holding lock or similar arrangement to give effect to the Restrictions.

### **Removal of Restrictions**

- 23.2 A Participant may submit a written request to the Board at any time to remove any Restrictions applicable to Plan Shares held by the Participant during the Restriction Period. The Board may approve such a request at its absolute discretion.

### **Overriding restrictions on dealing with Plan Shares**

- 23.3 Participants must not deal with Plan Shares if to do so would contravene Applicable Laws.

### **Plan Shares entitlements**

- 23.4 A Participant's entitlement to receive a notice of, or to vote or attend at, a meeting of the members of the Company or Shareholders, and to receive any dividends declared by the Company during the relevant Restriction Period will not be affected by the imposition of a restriction on the Plan Shares held by a Participant pursuant to clause 23.1.

## **24 HOLDING PERIOD**

- 24.1 The Board may specify, in its absolute discretion, specific holding period disposal restrictions that apply to some or all of the Shares, Options or Performance Rights, Service Rights or Restricted Rights offered to a person in any Offer (**Holding Period**).

## **25 NOMINEE**

- 25.1 Unless expressly permitted in the Offer, an Eligible Employee may only submit an Application in the Eligible Employee's name and not on behalf of any other person.
- 25.2 Despite anything to the contrary in this Plan, if an Employee Loan is offered to an Eligible Employee, the Eligible Employee is not able to nominate a Related Party to hold the Shares offered to the Eligible Employee.
- 25.3 If an Eligible Employee is permitted in the Offer, the Eligible Employee may nominate a Related Party to be issued the Shares, Options or Performance Rights, Service Rights or Restricted Rights

the subject of the Offer. The nominated Related Party must execute any documents required by the Company in order to receive the grant of the Shares, Options or Performance Rights, Service Rights or Restricted Rights.

- 25.4 If Shares, Options or Performance Rights, Service Rights or Restricted Rights are granted to a Related Party nominated by an Eligible Employee, then to the extent necessary to give effect to these Rules, the Eligible Employee will continue to be treated as the Participant.
- 25.5 If a Participant ceases to Control its Related Party to whom Shares, Options, Performance Rights, Service Rights or Restricted Rights or Plan Shares have been granted under these Rules, then that Related Party must immediately transfer all Shares, Options, Performance Rights, Service Rights or Restricted Rights or Plan Shares held by it to the Participant. Each of the Participant and the Related Party will do (and hereby authorise the Company and its officers and agents to do) all things necessary, including executing all documentation necessary, to give effect to this clause.

## **26 FORFEITURE**

### **Forfeiture Conditions**

- 26.1 The Board may determine prior to any Offer if any Forfeiture Conditions apply in respect of Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares issued under that Offer.

### **Where Forfeiture Occurs**

- 26.2 Where any Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares are subject to Forfeiture Conditions and any such Forfeiture Condition(s) occur, such Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares will be forfeited the Company will:
- 26.2.1 notify the Participant that the relevant Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares held by them have been forfeited;
- 26.2.2 arrange for the Participant's agent or attorney to sign any transfer documents required to transfer or otherwise deal with the relevant Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares; and
- 26.2.3 not be liable for any damages, compensation or other amounts to the Participant in respect of the relevant Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares that were subject to such forfeiture.

### **Fraudulent or dishonest actions**

- 26.3 In addition to forfeiture in accordance with the Forfeiture Conditions (if any), where, in the reasonable opinion of the Board, a Participant:
- 26.3.1 acts fraudulently or dishonestly; or
- 26.3.2 wilfully breaches his or her duties to the Company,
- then the Board may deem all Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares held by the Participant will automatically be forfeited.

## **27 BUY-BACK**

### **Buy-Back**

- 27.1 Subject to any provisions to the contrary in the Constitution or Applicable Law, the Company may at any time Buy-Back any Shares where:
- 27.1.1 a Participant has become a Former Participant; or
- 27.1.2 any Performance Criteria attaching to the Shares have not, or cannot, be achieved by the Participant as determined by the Board in its sole discretion.
- 27.2 If the Company does not exercise its right to Buy-Back any Shares during the relevant Buy- Back Period, the Former Participant must repay any Employee Loan advanced to the Former Participant in respect of the purchase of such Shares in accordance with paragraph 21.4 and subject to clause 21.5, the Former Participant shall thereafter hold any remaining Shares in accordance with the terms of the Constitution.
- 27.3 The Buy-Back of Shares under clause 27.1 may occur in one or more tranches within such time, as determined by the Board in its sole and absolute discretion.

### **Buy-Back mechanism**

- 27.4 Each Participant will do all acts, matters and things at any time which are necessary or desirable in the sole opinion of the Board to give effect to any Buy-Back of his or her Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares.

### **28 BUY-BACK PRICE FOR SHARES**

- 28.1 Unless determined otherwise by the Board in its absolute discretion, the price on which each Share may be Bought-Back by the Company (**Buy-Back Price**) shall be determined as follows:

28.1.1 Where the Shares are Restricted Shares, the Buy-Back Price will be the Issue Price;

28.1.2 Where the Shares are not Restricted Shares:

28.1.2.1 where the Former Participant is a not a Bad Leaver, the Buy-Back Price will be the higher of the Issue Price and the Market Value of the Shares; and

28.1.2.2 where the Former Participant is a Bad Leaver, the Buy-Back Price will be the Issue Price of the Shares.

### **29 CANCELLATION**

#### **Securities may be Cancelled if Participant consents**

- 29.1 Notwithstanding any other provisions of the Plan, if a Participant and the Board have agreed in writing that some or all of the Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares granted to that Participant may be Cancelled on a specified date or on the occurrence of a particular event and any consideration related thereto, then the Board may Cancel those Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares on the relevant date or on the occurrence of the particular event (as the case may be).

#### **Cancellation of Shares, Options, Plan Shares and/or Performance Rights, Service Rights or Restricted Rights**

- 29.2 Where the Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares are to be Cancelled by the Company, the Company may do such things and enter such arrangements with the Company's share registry or otherwise as it considers necessary to enforce any Cancellation and the relevant Participant will be bound by any action by the Company under this clause 29.2.

### **30 CAPITAL RECONSTRUCTIONS**

- 30.1 Subject to any Applicable Laws, the number of Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares held by a Participant under the Plan may, in the sole and absolute discretion of the Board, be determined to be such number as is appropriate and so that the Participant does not suffer any material detriment following any variation in the share capital of the Company arising from:

30.1.1 a reduction, subdivision or consolidation of share capital;

30.1.2 a reorganisation of share capital;

30.1.3 a distribution of assets in specie;

30.1.4 the payment of a dividend, otherwise than in the ordinary course, of an amount substantially in excess of the Company's normal distribution policy; or

30.1.5 any issue of ordinary shares or other equity securities or instruments which convert into ordinary shares by way of capitalisation of profits or reserves.

- 30.2 Upon any adjustment being made pursuant to this clause, the Board will notify each Participant (or his or her legal personal representative where applicable) in writing, informing them of the number of Options and/or Plan Shares held by the relevant Participant.

### **31 TAKEOVERS**

- 31.1 In the event that a takeover bid or offer is made to acquire all of the issued Shares of the Company (**Takeover**) and the Board forms the view that the bid or offer is likely to be successful and lead to a delisting of the Shares in the Company:

- 31.1.1 Options and Performance Rights which are not vested and were granted in the financial year of the Takeover will be forfeited, unless and to the extent otherwise determined by the Board in its discretion;
- 31.1.2 Service Rights will vest in full;
- 31.1.3 Any remaining unvested Options and Performance Rights held by the Participant shall be assessed by the Board in its discretion to determine the extent, if any, of vesting. Participants will be advised as to the extent of vesting via a Vesting Notice. Any remaining unvested Options and Rights will lapse; and
- 31.1.4 Vested Options and Rights held by employees of the Group may be exercised immediately upon receipt of the foregoing Vesting Notice being given to the Participant or they will lapse on completion of the Takeover.
- 31.2 For the avoidance of doubt if a Takeover offer or bid is made to acquire all of the issued Shares of the Company and the Board forms the view that the bid or offer is not likely to lead to a delisting of the Shares in the Company then no change will be made to the terms of previously issued Options or Rights.

## 32 RECONSTRUCTIONS

### Compromise and arrangements

- 32.1 The Board must give a Reconstruction Notice to Eligible Employees if, under Part 5.1 of the Corporations Act, the Court sanctions a compromise or arrangement proposed for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies which, if implemented, would result in a change in the Control of the Company (in each case, a **Reconstruction**).
- 32.2 Participants will be entitled, upon receipt of a Reconstruction Notice:
- 32.2.1 in the offer period referred to in the notice period for the shareholders' meeting the subject of the Reconstruction Notice, to exercise all or any of their Options or Rights; and/or
- 32.2.2 make a request to the Board to determine that some or all existing Performance Rights or Service Rights vest immediately and that Plan Shares in respect of all such Performance Rights, Service Rights or Restricted Rights be provided to the Eligible Employee, in which case:
- 32.2.2.1 the Board must process such a request as soon as possible with reference to the Performance Criteria relating to those Performance Rights or Vesting Conditions relating to those Service Rights; and
- 32.2.2.2 the Board may determine at its discretion the number (if any) of Performance Rights and/or Service Rights which shall vest in the Eligible Employee; and must provide that number of Shares to the Participant.
- 32.3 The Participant shall be entitled to receive the consideration payable upon receipt of a Reconstruction Notice, all Restrictions under this Plan are deemed to have been removed.

### Ability to exercise Options

- 32.4 A Participant may exercise all or any of their Options, upon receipt of a Reconstruction Notice, regardless of whether or not the Vesting Conditions have been satisfied provided that no Option will be capable of exercise later than the Expiry Date.

### Aggregation

- 32.5 For the purposes of a Reconstruction, if a number of Options are exercised simultaneously, or a number of Shares vest simultaneously, the number of Shares or fractions of Shares which are to be issued as a consequence, may be aggregated. Any fraction in that aggregate number only will be disregarded in determining the total entitlement of an Eligible Employee.

### Calculations and adjustments

- 32.6 For the purposes of this clause 32, the Board will make any calculations or adjustments which are required to be made, which will be final and conclusive and binding on the Participants, in the absence of manifest error.

## 33 SEPARATE CLAWBACK OR MALUS POLICY

While the Company has a separate malus or clawback policy that applies to variable remuneration, and that policy addresses unvested and/or vested Rights and/or Options and/or Restricted Shares, then in the event of any inconsistency between the Plan Rules and the policy, the latter shall prevail.



### **34 CONTRAVENTION OF APPLICABLE LAWS**

- 34.1 No act will be done or determination made in accordance with these Rules where to do so would be a breach of any Applicable Laws, and where any such act is done or determination made it will be considered void and to the extent possible be unwound and of no effect in respect of Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares.

### **35 ADMINISTRATION OF THE PLAN**

#### **Regulations**

- 35.1 The Board may make such regulations for the operation of the Plan as it considers necessary, provided such regulations are consistent with these Rules.

#### **Delegation**

- 35.2 The Board may delegate any of its powers or discretions conferred on it by these Rules to a committee of the Board or to any one or more persons selected by it, including but not limited to the company secretary.
- 35.3 Any delegation will be for such period and upon such terms and conditions as determined by the Board from time to time.

#### **Decisions final**

- 35.4 Every exercise of a discretion by the Board (or its delegates) and any decision by the Board (or its delegates) regarding the interpretation, effect or application of these Rules will be final, conclusive and binding.

#### **Attorney and agent**

- 35.5 Each Participant hereby authorises and appoints the company secretary holding office at the relevant time (or their delegate) as their agent or attorney with power to do all things necessary in the name of and on behalf of the Participant to give effect to these Rules, including and without limitation, signing Option, Share or Plan Share transfers, and signing all documents and doing all acts necessary to effect a Buy-Back, and accounting for the proceeds of the sale of forfeited shares, but expressly excluding the power to exercise Options granted to the Participant under the Plan.
- 35.6 Each Participant agrees to indemnify and hold harmless any person acting as their agent or attorney in accordance with these Rules in respect of all costs, damages or losses of whatever nature arising from so acting, other than costs, damages or losses arising out of the agent's or the attorney's dishonesty, fraud or wilful breach of their duties.

#### **Notice**

- 35.7 Any notice required to be given to the Participants under the Plan will be sent to the address of the Participant as entered in the register. Notices may also be given to the Participants by being delivered in person, or given to the Participant by means of facsimile, email or other mode of electronic delivery as agreed between the Company and the Participant.
- 35.8 Any notice required to be given to the Company under the Plan will be sent to the registered office of the Company or such other address as is notified to Participants from time to time.

#### **Delivery of notices**

- 35.9 Any notice to be given to Participants may be delivered by hand to the Participant.
- 35.10 Any notice to be given to the Company may be delivered by hand or by prepaid post. Notices may also be given to the Company by means of facsimile, email or other mode of electronic delivery to such address as is notified by the Company to the Participant.
- 35.11 Notices delivered to Participants in accordance with the Constitution will be taken to be delivered in accordance with the Constitution. Notices delivered to the Company by pre-paid post will be taken to be delivered if properly addressed and stamped, 48 hours after mailing in Australia and seven days after mailing outside Australia. Notices delivered by facsimile, email or other mode of electronic delivery will be taken to be delivered on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery.

### **36 PLAN AMENDMENT**

#### **Amendment of Plan**

- 36.1 Subject to clause 36.2 and the Constitution, the Board may at any time amend these Rules or the

terms and conditions upon which any Shares, Options or Performance Rights, Service Rights or Restricted Rights have been issued under the Plan.

- 36.2 No amendment to these Rules or to Shares, Options or Performance Rights, Service Rights or Restricted Rights granted under the Plan may be made if the amendment, in the opinion of the Board, materially reduces the rights of any Participant in respect of Shares, Options or Performance Rights, Service Rights or Restricted Rights granted to them prior to the date of the amendment, other than:
- 36.2.1 an amendment introduced primarily:
  - 36.2.2 for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
  - 36.2.3 to correct any manifest error or mistake;
  - 36.2.4 to allow the implementation of a trust arrangement in relation to the holding of Plan Shares granted under the Plan;
  - 36.2.5 for the purpose of complying with the Applicable Laws;
  - 36.2.6 to take into consideration possible adverse taxation implications in respect of the Plan including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation; and/or
  - 36.2.7 an amendment agreed to in writing by any Participant(s) to the extent that the rights of such Participants are materially reduced.
- 36.3 The Board may determine that any amendment to these Rules or the terms of Shares, Options or Performance Rights, Service Rights or Restricted Rights granted under the Plan be given retrospective effect.
- 36.4 Amendment of these Rules or the terms and conditions upon which Shares, Options or Performance Rights, Service Rights or Restricted Rights are granted under the Plan by the Board will be of immediate effect unless otherwise determined by the Board.
- 36.5 As soon as reasonably practicable after making any amendment to these Rules or the terms and conditions of Shares, Options or Performance Rights, Service Rights or Restricted Rights granted under the Plan, the Board will give notice of the amendment to any Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

**Amendment by addendum**

- 36.6 Subject to any other provision of these Rules, the Board may from time to time amend the terms of this Plan as they will apply in particular jurisdictions or circumstances by means of an addendum to these Rules.

**37 TERMINATION ORSUSPENSION**

**Termination or suspension**

- 37.1 Subject to clause 37.2, the Board may at any time terminate the Plan or suspend the operation of the Plan for such period or periods as it thinks fit.

**Resolution to terminate, suspend, supplement or amend**

- 37.2 In passing a resolution to terminate or suspend the operation of the Plan, the Board must consider and endeavour to ensure that there is fair and equitable treatment of all Participants.

**38 NO EMPLOYMENT CONTRACT**

- 38.1 Nothing in these Rules or the terms of any Shares, Options or Performance Rights, Service Rights or Restricted Rights:

- 38.1.1 confers upon an Eligible Employee a right to a grant or offer of a grant of Shares, Options or Performance Rights, Service Rights or Restricted Rights;
- 38.1.2 confers on an Eligible Employee or a Participant the right to continue as an employee or officer of the Company (as the case may be);
- 38.1.3 affects the rights of the Company to terminate the employment or office of an Eligible Employee or a Participant (as the case may be);
- 38.1.4 affects the rights and obligations of any Eligible Employee or Participant under the terms of their office or employment with the Company;
- 38.1.5 confers any legal or equitable right on an Eligible Employee or a Participant whatsoever to take action against the Company in respect of their office or employment; or
- 38.1.6 confers on an Eligible Employee or a Participant any rights to compensation or damages in consequence of the termination of their employment or office by the Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination.

## **39 ASIC RELIEF**

- 39.1 Notwithstanding any other provisions of the Plan, every covenant or other provisions set out in an exemption or modification granted from time to time by ASIC in respect of the Plan or which applies to the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan. To the extent that any covenant or other provision deemed by this clause 39 to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision will prevail.

## **40 NON-EXCLUSIVITY**

### **Non-exclusivity**

- 40.1 This Plan will not be deemed to be the exclusive method of providing incentive compensation to Eligible Employees, nor will it preclude the Company from authorising or approving other forms of incentive compensation for employees of the Company.

### **Relationship to other equity plans**

- 40.2 Participation in this Plan will not affect or be affected by any participation in any other employee equity plan operated by the Company, except as specifically provided in the terms of that other plan.

## **41 GENERAL**

### **No fiduciary capacity**

- 41.1 The Board may exercise any power or discretion conferred on it by these Rules in the interest or for the benefit of the Company, and in so doing the Board is not required to act in the interests of another person or as requested by another person and will not be under any fiduciary obligation to another person.

### **Listing Rules**

- 41.2 On the Company being admitted to the list of companies quoted on a recognised stock exchange, the provisions of the Listing Rules will apply to the Plan, and to the extent that the Plan and the Listing Rules are inconsistent, the provisions of the Listing Rules will apply.

### **Enforcement**

- 41.3 These Rules, any determination of the Board made pursuant to the Rules, and the terms of any Shares, Options or Performance Rights, Service Rights or Restricted Rights granted under the Plan, will be deemed to form a contract between the Company and the Participant.

### **Governing law**

- 41.4 This Plan and any Shares, Options or Performance Rights, Service Rights or Restricted Rights granted under it will be governed by, and must be construed according to, the laws of the Victoria and the Commonwealth of Australia.

## 42 DEFINITIONS AND INTERPRETATION

### Definitions

42.1 In these Rules, unless the context otherwise requires, the following terms and expressions will have the following meanings:

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

- (a) the Corporations Act;
- (b) the Listing Rules (as applicable);
- (c) the Constitution;
- (d) the *Income Tax Assessment Act 1936* (Cth) and the *Income Tax Assessment Act 1997* (Cth), each as amended from time to time;
- (e) any practice note, policy statement, regulatory guide, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend paragraphs (a), (b), and (d) above; and
- (f) any other legal requirement that applies to the Plan;

**Application** means an application by an Eligible Employee to participate in the Plan made in response to an Offer;

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

**ASX** means ASX Limited (ABN 98 008 624 691) trading as the Australian Securities Exchange;

**Bad Leaver** means, unless otherwise determined by the Board in its sole and absolute discretion, a Participant who ceases employment or office with the Company in any of the following circumstances:

- (a) the Participant's employment is terminated, or the Participant is dismissed from the office, for any of the following reasons:
  - (i) the Participant has committed any serious or persistent breach of the provisions of any employment contract entered into by the Participant with the Company;
  - (ii) the Participant being guilty of fraudulent or dishonest conduct in the performance of the Participant's duties, which in the reasonable opinion of the Company effects the Participant's suitability for employment with the Company, or brings the Participant or the Company into disrepute;
  - (iii) the Participant has been convicted of any criminal offence which involves fraud or dishonesty;
  - (iv) the Participant has committed any wrongful or negligent act or omission which has caused the Company substantial liability;
  - (v) the Participant has become disqualified from managing corporations in accordance with Part 2D.6 of the Corporations Act or has committed any act that, pursuant to the Corporations Act, may result in the Participant being banned from managing a corporation; or
  - (vi) the Participant has committed serious or gross misconduct, wilful

disobedience or any other conduct justifying termination of employment without notice; or

- (vii) the Participant has breached any term of the Employee Loan Agreement (if applicable);

**Board** means the board of directors of the Company, a committee appointed by the board of directors of the Company as constituted from time to time, or any person who is provided with delegated authority by the board from time to time;

**Business Day** means a day on which trading banks are open for business in Melbourne, Victoria, except a Saturday, Sunday or public holiday;

**Buy-Back** means the buy-back by the Company of Shares, pursuant to clause 27, and **Bought-Back** has a similar meaning;

**Buy-Back Period** means, with respect to any Share and any Participant that becomes a Former Participant, the period of 90 days from the date the Participant ceases to be an Employee;

**Buy-Back Price** means the price at which Shares are to be Bought-Back as determined under clause 28.1;

**Cancel** means the cancellation of Options and/or Performance Rights, Service Rights or Restricted Rights by the Company for payment of any consideration to the relevant Participant as required under clause 29.1 and **Cancellation** and **Cancelled** has a similar meaning;

**Cessation of Disposal Restrictions Notice** means the notice to a Participant that Restrictions and disposal restrictions related to the Company's share trading policy have ceased.

**Company** means LiveHire Ltd (ACN 153 266 605);

**Competitor** means any person which carries on a business that is the same as, or similar to, the Company's business or a part of the Company's business, and that person is determined by the Board in its sole and absolute discretion to be a Competitor of the Company;

**Control** has the meaning given in section 50AA of the Corporations Act and **Controlled** has a corresponding meaning;

**Constitution** means the constitution of the Company, as amended from time to time;

**Corporations Act** means the *Corporations Act 2001* (Cth), as amended from time to time;

**Director** means a director of any member of the Company;

**Eligible Employee** means: Directors, Employees and contractors to the Company who are declared by the Board in its sole and absolute discretion to be eligible to receive grants of Shares, Options, Performance Rights, Service Rights or Restricted Rights under the Plan;

**Employee** means an employee of the Company or director of the Company or other consultants to the Company;

**Employee Loan** has the meaning given to that term in clause 20;

**Employee Loan Agreement** means an agreement between the Company and an Employee with respect to an Employee Loan, substantially in the form set out in Schedule 4;

**Employee Loan Repayment Notice** has the meaning given to that term in clause 21.3;

**Excluded Information** has the meaning given to it in section 708A(7) of the Corporations Act;

**Exercise Period** means the period up to the Expiry Date during which a vested Option may be exercised, and as determined by the Board;

**Exercise Price** means the exercise price payable (if any) by a Participant to acquire a Plan Share upon the exercise of an Option as specified by the Board in the Offer in its sole and absolute discretion;

**Expiry Date** means, with respect to any Options:

- (a) the date 5 years from the Grant Date of those Options; or
- (b) any other date determined by the Board and as specified in the Offer with respect to those Options,

after which those Options lapse and may no longer be exercised;

**Exercise Restriction** means a period, if any, during which a Participant may not exercise vested Rights as specified in an Offer.

**Fee** means any fee payable by a Participant on the grant of an Option to them, and as determined by the Board in its sole and absolute discretion;

**Forfeiture Conditions** means any criteria, requirements or conditions as determined by the Board and as specified in the Offer or under these Rules with respect to any Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares which, if they occur (notwithstanding the satisfaction or waiver of any applicable Performance Criteria and Vesting Conditions) will result in a Participant forfeiting such Shares, Options, Performance Rights, Service Rights or Restricted Rights and/or Plan Shares (as applicable);

**Former Participant** means a Participant who ceases to be an Employee;

**Grant Date** means the date on which Options or Rights are granted to a Participant following the acceptance of an Application;

**Group** means the Company and its Related Bodies Corporate.

**Issue Price** means, with respect to a Share, the price per Share paid by the Participant pursuant to the relevant Offer;

**Liquidity Event** means:

- (a) a sale of all of the ordinary shares in the Company; or
- (b) a sale of all or substantially all of the assets of the Company;

**Listing Rules** means the listing rules, market rules or operating rules of a financial market in respect of which the Company's shares are quoted or are the subject of an application for quotation, including but not limited to, the official listing rules of the ASX (as relevant);

**Market Value** means a value determined by application of a valuation methodology approved by the Board;

**Notice of Exercise** means a notice of exercise of Options or Rights in the form or by the technological means determined by the Board from time to time;

**Offer** means an offer to an Eligible Employee to apply for the grant of Shares, Options, Performance Rights, Service Rights or Restricted Rights under the Plan;

**Offer Conditions** has the meaning given to that term in clause 4.4.2;

**Offer Letter** means a letter containing an Offer to an Eligible Employee that sets out the terms and conditions of the Offer;

**Option** means an option granted under this Plan to subscribe for, acquire and/or be allocated (as determined by the Board in its sole and absolute discretion) one Plan Share subject to the satisfaction of any Vesting Conditions, and payment of the relevant Exercise Price;

**Participant** means an Eligible Employee who has been offered Options, Shares, Plan Shares, Performance Rights, Service Rights or Restricted Rights and/or any other securities under this Plan and who has returned a corresponding Application to the Company that has been accepted by the Company pursuant to these Rules, or that Eligible Employee's Related Party nominated in accordance with clause 25. For the avoidance of doubt, where the context requires, a Participant includes a Former Participant;

**Performance Criteria** means any minimum performance requirements (as specified in the Offer Letter and determined by the Board in its sole and absolute discretion) which must be met prior to Options, Rights or Shares (as applicable) vesting in a Participant;

**Performance Period** means the period in which the Performance Criteria or Vesting Conditions must be satisfied in respect of a Performance Right, Service Rights or Option, as applicable;

**Performance Right** means a right granted under this Plan to be issued a Plan Share subject to the satisfaction of any Performance Criteria;

**Plan** means the employee incentive plan established in accordance with these Rules;

**Plan Administrator** means a person or entity appointed to administer the Plan;

**Plan Share** means any Share issued or transferred to a Participant upon exercise of an Option or the satisfaction of Performance Criteria of a Performance Right;

**Reconstruction** has the meaning given under clause 32.1;

**Reconstruction Notice** means written notice of a Reconstruction;

**Related Body Corporate** has the meaning given in section 9 of the Corporations Act;

**Related Party** in relation to an Eligible Employee means:

- (a) a trustee of a trust, in respect of which the Eligible Employee is the trustee or the Eligible Employee Controls a body corporate which is the trustee; or
- (b) a body corporate Controlled by such Eligible Employee.

**Restricted Right** means a Rights that is vested at grant but may not be exercised earlier than 90 days following the Grant Date;

**Restricted Shares** are those Shares subject to Restrictions.

**Restrictions** means a requirement that Participant must not:

- (a) dispose, sell, transfer or otherwise deal with the Shares or Plan Shares; or
- (b) grant a security interest in or over the Shares or Plan Shares,

and must comply with any other restriction as determined by the Board in its absolute

discretion and set out in an Offer.

**Restriction Period** means such period as the Board may determine at its absolute discretion;

**Right** means an entitlement granted under this Plan to subscribe for, acquire and/or be allocated (as determined by the Board in its sole and absolute discretion) one Plan Share subject to the satisfaction of Performance or Vesting Conditions, if any, specified in an Offer;

**Rules** means these rules in respect of the operation of the Plan, as amended from time to time;

**Security Interest** means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature;

**Service Right** means a Right subject to a Vesting Condition;

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

**Share Trading Policy** means any Company share trading policy as amended from time to time;

**Shareholder** means any holder of a Share;

**Takeover** has the meaning given under clause 31.1;

**Takeover Notice** means written notice of a Takeover;

**Term** means the period commencing on the Grant Date and ending on the Expiry Date (inclusive);

**Transfer** has the meaning given to that term in the Constitution.

**Vesting Conditions** means any time based requirement or condition (as specified in the Offer and determined by the Board in its sole and absolute discretion) which must be met prior to Options or Rights vesting in a Participant; and

**Vesting Notice** means a notice to a Participant informing the Participant that the Participant's Options have vested and are exercisable.

## Interpretation

- 42.2 In these Rules, unless otherwise stated or the contrary intention appears:
- 42.2.1 the singular includes the plural and vice versa;
  - 42.2.2 a gender includes all genders;
  - 42.2.3 a reference to any legislation includes any modification or replacement of it and all regulations and statutory instruments issued under it and a reference to any provision of any legislation includes any modification or substitution of it;
  - 42.2.4 a reference to these Rules means these Rules as amended from time to time and includes all recitals, annexures, addendums and schedules to these Rules;
  - 42.2.5 a reference to a person includes a reference to the person's executors, administrators and successors or a body corporate including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee; and
  - 42.2.6 in these Rules any reference to include means to include without limitation.

## Applicable Laws

- 42.3 These Rules, the offering and granting of any Options, the issuing and/or transferring of any Plan Shares, and the rights attaching to or interests in the Options and Plan Shares, will at all times be subject to all Applicable Laws.

## Share Trading Policy



42.4 A Participant must comply with any Share Trading Policy at all times.

**Rounding**

42.5 Where any calculation or adjustment to be made pursuant to these Rules produces a fraction of a cent or a fraction of an Option or a Plan Share, the fraction will be eliminated by rounding to the nearest whole number.

**Headings**

42.6 Headings are inserted in these Rules for convenience only and do not affect the interpretation of these Rules.

**Constitution**

42.7 The entitlements of Eligible Employees and Participants under these Rules are subject to the Constitution.

42.8 In the event of any inconsistency between these Rules and either of the Constitution, the terms of the Constitution will prevail to the extent of that inconsistency.