



Equity Incentive Plan

Liberty Financial Group Limited (ACN 125 611 574)

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Plan Rules relating to the Liberty Financial Group Limited Equity Incentive Plan

1. Definitions and interpretation

1.1 Definitions

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

Ancillary Documentation means all documentation which the Board specifies in an Invitation that an Eligible Participant must enter into and / or provide in connection with an Application.

Application means, in respect of an Award, an application for the grant of that Award made by an Eligible Participant and/or the Eligible Participant's Nominated Affiliate (where applicable) in response to an Invitation.

Application Form means an application form attached to, or enclosed with, an Invitation.

Associates has the meaning given to that term in the Corporations Act.

ASX means ASX Limited (ACN 008 624 691) or the market operated by it, as the context requires

ASX Holding Lock has the same meaning as "Holding Lock" in Chapter 19 of the Listing Rules.

Automatically Exercised has the meaning given in clause 7.3(b).

Award means either a performance right or an option granted under these Rules to acquire a Security by one or more methods determined in the absolute discretion of the Board and as specified in the Invitation.

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, in respect of a particular matter, any person who is provided with delegated authority by the board of directors of the Company in respect of that particular matter from time to time.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Victoria, Australia.

Cash Settled has the meaning given in clause 8.1(b) and **Cash Settlement** will be construed accordingly.

Certificate means a certificate or notice (in each case, whether physical or electronic) evidencing the grant of an Award.

Change of Control Event means:

- (a) where members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate (other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming

effective, result in any person (either alone or together with its Associates) owning more than fifty per cent (50%) of the issued capital of the Company;

- (b) where a takeover bid is made to acquire more than fifty per cent (50%) of the issued capital (or such lesser number of shares that when combined with the shares that the bidder (together with its Associates) already owns will amount to more than 50% of the issued capital of the Company) and the takeover bid becomes unconditional and the bidder (together with its associates) has a relevant interest in more than 50% of the issued capital of the Company;
- (c) a resolution is passed for the voluntary winding-up of the Company and/or dissolution of the Unit Trust;
- (d) an order is made for the compulsory winding up of the Company and/or dissolution of the Unit Trust;
- (e) the sale of all or substantially all of the business and assets of the Group; or
- (f) any other event determined by the Board in good faith to constitute a “Change of Control Event” for the purposes of these Rules,

but, for the avoidance of doubt, does not include any internal reorganisation of the structure, business and/or assets of the Group.

Company means Liberty Financial Group Limited (ACN 125 611 574).

Competitor means any business that has as a part of its business which is in direct or indirect competition with Liberty in Australia or New Zealand or which intends to compete in the future with Liberty.

Confirmation Notice means, in relation to an Award, the notice (whether physical or electronic) given by or on behalf of the Company to a Participant informing him or her that all of the Exercise Conditions have been satisfied or waived and the Award may be exercised in accordance with these Rules.

Constitutions means the constitutions of the Company and the Trust.

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

Dispose means in relation to a Resulting Security and an Award:

- (a) sell, assign, buy-back, redeem, transfer, convey, grant an option over, grant or allow a Security Interest over;
- (a) enter into any swap arrangement, any derivative arrangements or other similar arrangements;
or
- (b) otherwise directly or indirectly dispose of legal, beneficial or economic interest in,

the Resulting Security or Award (whichever applicable) and **Disposal** has a corresponding meaning.

Eligible Participant means a person who is a full-time, part-time or casual employee (including an executive director) of any Group Company who has been determined or selected by the Board from time to time.

Engagement Arrangement means in respect of an employee of a Group Company, the terms under which the relevant Group Company has employed that person.

Equity Settled has the meaning given in clause 8.1(a).

Exercise Condition means, in relation to an Award, any condition to exercise of that Award as specified in the relevant Invitation.

Exercise Notice means a notice (whether physical or electronic) given by or on behalf of the Participant (in the form determined by the Board from time to time) to exercise an Award in accordance with clause 7.3(a).

Exercise Price means, in respect of an Award, the price to be paid by the Participant when exercising that Award as specified in the relevant Invitation. For the avoidance of doubt, the Exercise Price for an Award may be nil.

Expiry Date means, in relation to an Award, the 'expiry date' which is specified in the Invitation or Vesting Notice (if any), or, if no date is specified, the Business Day prior to the fifteen (15) year anniversary of the Grant Date.

Grant Date means, in relation to an Award, the date on which that Award is granted to a Participant under these Rules.

Group means Liberty and each of its Subsidiaries from time to time and **Group Company** means any one of them.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);
- (b) it has had a controller appointed or is in liquidation, in provisional liquidation, under administration, wound up or has had a receiver appointed to any part of its property;
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the Company);
- (d) an application or order has been made (and in the case of the application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is likely to result in any of (a), (b) or (c) above);
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand);
- (f) it is subject to an event described in section 459C(2)(b) or section 585 of the Corporations Act;
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

Invitation means an invitation to an Eligible Participant to apply for the grant of one or more Awards made in accordance with clause 3.2 of these Rules.

Leaver means a Participant who:

- (a) ceases to be an employee (including executive director); or
- (b) has given, or has received, a notice of termination of their Engagement Arrangement.

For the avoidance of doubt if there is a change in the entity that engages the Participant as an employee (including executive director) from one Group Company to another Group Company, the Participant will not be considered, for the purpose of these Rules, to have ceased to be an employee (including executive director) of that Group Company due to that change.

Liberty means the stapled entity comprised of the Company and the Trust together.

Listing Rules means the listing rules, market rules and 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.

Manually Exercised has the meaning given in clause 7.3(a).

Nominated Affiliate has the meaning set out in clause 3.8(a).

Participant means:

- (a) an Eligible Participant who has been granted an Award and continues to hold that Award or Resulting Security (as applicable); or
- (b) where an Eligible Participant has made a nomination under clause 3.8(a):
 - (i) the Eligible Participant whose Nominated Affiliate continues to hold an Award or Resulting Security (as applicable); or
 - (ii) the Nominated Affiliate of the Eligible Participant who has been granted an Award under this Plan and continues to hold that Award or Resulting Security (as applicable),

as the context requires.

Plan means the "Liberty Financial Group Limited Equity Incentive Plan", as governed by the terms of these Rules.

Responsible Entity means Liberty Fiduciary Ltd (ACN 119 884 623).

Resulting Security means a Security issued, transferred or allocated to a Participant upon the valid exercise of an Award.

Rules means the rules of the Plan which are set out in this document.

Securities Trading Policy means the joint securities trading policy adopted by both the Company and the Trustee in respect of trading in the Securities.

Security Interest means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature granted to secure payment of money or the performance of an obligation.

Security means a Unit or a Share or, taken together, a Unit and a Share stapled together pursuant to the Constitutions and the Stapling Deed (as the context requires) granted under these Rules.

Share means a fully paid share in the capital of the Company in the class specified in the relevant Invitation which granted that Share.

Stapling Deed means the stapling deed entered into between the Company and the Responsible Entity (in its capacity as responsible entity of the Trust) dated on or around 26 November 2020.

Subsidiary means the subsidiary companies and trusts within Liberty.

Substituted Entity means a body corporate or some other such entity which becomes a holding entity of Liberty following commencement of the Plan.

Tax means any tax, levy, charge, franchise, impost, duty, fee, rate, deduction, compulsory loan or withholding, which is assessed, levied, imposed or collected by any government agency and includes, for the avoidance of doubt, capital gains tax, fringe benefits tax, income tax, value added tax, goods and services tax, sales or use tax, training guarantee levy, profits tax, undistributed profits tax, payroll or employment tax, group tax, PAYG or PAYE withholding tax, land tax, import or customs duty, excise, municipal rates, and any interest, fine, penalty, charge, fee or any other amount imposed on or in respect of any of the above.

Tax Act means the *Income Tax Assessment Act 1997* (Cth).

Trustee means the trustee of the Unit Trust from time to time.

Unit means a unit in the capital of the Unit Trust in the class specified in the relevant Invitation relating to that Unit.

Unit Trust means the Liberty Financial Group Trust (ABN 67 792 344 556).

Vesting Condition means, in relation to an Award, any condition to vesting of that Award that is set out in the Invitation for that Award.

Vesting Notice means, in relation to an Award, the notice (whether physical or electronic) given by or on behalf of the Company to a Participant informing him or her that all Vesting Conditions in relation to that Award have been satisfied or waived in accordance with these Rules.

1.2 Interpretation

In these Rules, unless otherwise stated or the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes all genders;
- (c) a reference to a document, agreement, plan or rules includes that document, agreement, plan or rules as novated, altered, supplemented, replaced or amended from time to time;
- (d) headings and boldings are for convenience only and do not affect the interpretation of these Rules;
- (e) a reference to any thing (including any amount) includes any part of that thing and a reference to a group of things or persons includes each thing or person in that group;

- (f) 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;
- (g) a reference to these Rules includes all recitals, annexures, addendums and schedules to these Rules;
- (h) 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;
- (i) the expression "person" includes an individual, the estate of an individual, the legal personal representative of an individual, a corporation or other body corporate, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership, a trust and any government agency;
- (j) a monetary amount is a reference to Australian Dollars;
- (k) in these Rules any reference to include means to include without limitation;
- (l) a reference to "writing" or "written" includes any mode of representing or reproducing word in tangible and permanently visible form, and includes email;
- (m) where any word is given a defined meaning, any other part of speech or other grammatical form in respect of such word or phrase has a corresponding meaning;
- (n) any capitalised terms in these Rules that are not defined in clause 1.1 have the meaning given to them in the Corporations Act; and
- (o) a provision of these Rules which has the effect of requiring anything to be done on or by a date which is not a Business Day is to be interpreted as if it required that thing to be done on or by the immediately preceding Business Day.

1.3 **Inconsistencies**

Notwithstanding anything to the contrary in any Engagement Arrangement with a Participant but subject at all times to these Rules, if there is any inconsistency between these Rules and an Engagement Arrangement, these Rules prevail.

1.4 **Income Tax Assessment Act**

This Plan is a plan to which Subdivision 83A-C of the Tax Act applies (subject to the conditions in that Tax Act).

2. *Introduction*

2.1 **Purpose**

The purpose of the Plan is to align the interests of Eligible Participants with securityholders of Liberty.

2.2 **Commencement**

The Plan will commence on the date determined by the Board.

2.3 Rules are binding

Liberty and each Participant are bound by these Rules.

3. Eligibility and grant

3.1 Eligibility

The Board may from time to time determine that an Eligible Participant may participate in the Plan.

3.2 Invitation

- (a) Following determination that an Eligible Participant may participate in the Plan, the Board may make an Invitation to the Eligible Participant on any number of occasions.
- (b) An Invitation to an Eligible Participant to apply for Awards may be made on such terms and conditions as the Board decides from time to time and may include:
 - (i) the Grant Date;
 - (ii) any Vesting Conditions;
 - (iii) the number of Awards (or the formula used to calculate the number of Awards) for which that Eligible Participant may apply;
 - (iv) the amount payable (if any) (or the formula used to calculate the amount payable) for the grant of each Award;
 - (v) whether each Award, upon vesting under these Rules, needs to be Manually Exercised or whether it will be Automatically Exercised;
 - (vi) the Exercise Conditions;
 - (vii) any Exercise Price (if any);
 - (viii) if the Company is not listed on the ASX, whether the Company must fulfil a vested Award that has been exercised by the issue of Securities or by any means (including without limitation by way of issue or allocation);
 - (ix) if the Company is listed on the ASX, whether the Company must fulfil a vested Award that has been exercised by acquiring Securities on-market (as that term is defined in the Corporations Act) or may fulfil the vested Award by any means (including without limitation the acquisition of Securities on-market, off-market or by way of issue or allocation);
 - (x) whether the Awards, upon exercise under these Rules, must be Equity Settled, must be Cash Settled or whether, at the discretion of the Board, may be Equity Settled or Cash Settled¹; and
- (c) any other supplementary terms and conditions considered relevant by the Board.

¹ Note to Company: If an Offer for an Award that may be Cash Settled is made other than in reliance on ASIC Class Order 14/1000, then the Company will need to consider the requirements of Parts 7.1 and 7.9 of the Corporations Act.

3.3 Application Form and Ancillary Documentation

The Invitation to an Eligible Participant must be accompanied by an Application Form and the Ancillary Documentation (if any).

3.4 Eligible Participant agrees to be bound

By submitting a completed Application Form, each Eligible Participant (and, if applicable, their Nominated Affiliate) is deemed to have agreed to be bound by the following upon the grant of the Awards that were the subject of the Application:

- (a) the terms of the Invitation and the Application Form;
- (b) the Ancillary Documentation (if any);
- (c) these Rules.

3.5 Who may apply

On receipt of an Invitation, an Eligible Participant (and, if applicable, their Nominated Affiliate) may apply for the Awards the subject of their Invitation by sending the completed Application Form and the Ancillary Documentation to the Company (or its designated officer as set out in the Application Form) by the time and date specified in the Invitation, unless otherwise determined by the Board.

3.6 Acceptance of Application

The Board may accept an Application from an Eligible Participant (and, if applicable, their Nominated Affiliate) in whole or in part. The Company may not grant an Award to an Eligible Participant (or, if applicable, their Nominated Affiliate) unless it has received:

- (a) a completed Application Form; and
- (b) all applicable Ancillary Documentation.

The Application Form and, where applicable, the Ancillary Documentation must be in the form included with the Invitation and may not be made on the basis that it is subject to any terms and conditions other than those specified in the Invitation.

3.7 When applications will not be accepted

Unless otherwise determined by the Board, an Application will not be accepted if at the time the Company received the duly signed and completed Application Form together with all Ancillary Documentation:

- (a) the applicant is not an Eligible Participant or (where applicable) the Eligible Participant's Nominated Affiliate;
- (b) notice of termination of the Eligible Participant's Engagement Arrangement has been given (whether by the applicant or by one or more members of the Group); or
- (c) the Board has determined that the applicant is no longer eligible to participate in the Plan or does not accept an Eligible Participant's Nominated Affiliate.

3.8 **Right to nominate**

- (a) Unless otherwise expressly permitted in the Invitation, an Eligible Participant may only submit an Application in the Eligible Participant's name and not on behalf of any other person or entity. If an Eligible Participant is permitted in the Invitation, the Eligible Participant may nominate another person or entity (the **Nominated Affiliate**) to be granted the Awards the subject of their Invitation. If such nomination is not permitted in the Invitation or the Board does not in its sole discretion approve the Nominated Affiliate for the Eligible Participant, the Board may reject an Application submitted in the name of that Nominated Affiliate.
- (b) If Awards and/or Resulting Securities (as the case may be) are granted to a Nominated Affiliate, then the Eligible Participant and their Nominated Affiliate must execute any documents required by the Company in order to receive the grant and, to the extent necessary to give effect to the intent of these Rules, the Company may continue to treat the Eligible Participant as the Participant.

3.9 **Multiple Invitations**

The Board may invite an Eligible Participant to apply for any number of Awards, notwithstanding that the Eligible Participant has previously been invited to apply for Awards.

4. *Grant of Awards*

4.1 **Company to grant Awards**

Following receipt of both the relevant documentation under clause 3.6 of these Rules and the amount payable (if any) for the grant of the relevant Awards, the Company must, to the extent that it has accepted such Application, grant the Eligible Participant (or, if applicable, their Nominated Affiliate) the relevant number of Awards, subject at all times to the terms and conditions set out in the Invitation, these Rules and the Ancillary Documentation.

4.2 **Certificate of Award**

Following the grant of an Award, the Company will issue to the Participant a Certificate.

5. *Terms of Awards*

5.1 **Participant's rights**

No Participant is entitled to:

- (a) notice of, or to vote or attend at, a meeting of the members of Liberty; and
 - (b) receive any dividends declared by the Company or distributions made by the Trustee,
- by virtue of holding an Award.

5.2 **Restriction of dealing**

A Participant may not sell, assign, transfer, grant a Security Interest over or otherwise deal with an Award that has been granted to them, unless the Board in its absolute discretion so approves or the relevant dealing is effected by force of law on death or legal incapacity to the Participant's legal personal representative. The Company may require that an Award be forfeited if a sale, assignment,

transfer, dealing or grant of a Security Interest occurs or is purported to occur other than in accordance with these Rules.

5.3 **Prohibition on hedging**

A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to an Award that has been granted to them.

5.4 **Register of Awards**

Each Award granted under these Rules will be registered in the appropriate register of the Company and the Unit Trust.

5.5 **Listing**

If the Company is listed on the ASX, unless determined otherwise by the Board in its absolute discretion, an Award granted under the Plan will not be quoted on the ASX or any other recognised exchange.

6. *Vesting*

6.1 **Vesting**

An Award will vest when a Vesting Notice in respect of that Award is given or is deemed to be given to the Participant.

6.2 **Waiver of Vesting Condition**

A Vesting Condition for an Award may, subject to any applicable laws, regulations and, if the Company is listed on the ASX, the Listing Rules, be waived by the Board by written notice to the relevant Participant and on such terms and conditions as determined by the Board and set out in that notice.

7. *Exercise of Awards*

7.1 **Exercise Conditions**

An Award may only be exercised when all Vesting Conditions and all Exercise Conditions applicable to that Award are satisfied or have been waived by the Company under clause 7.2, and the Company has provided or deemed to have been provided a Confirmation Notice to the Participant. If no Exercise Conditions attach to an Award, a Confirmation Notice will be deemed to be given when a Vesting Notice is given or deemed to be given in respect of that Award to the relevant Participant.

7.2 **Waiver of Exercise Conditions**

An Exercise Condition for an Award may, subject to any applicable laws, regulations and, if the Company is listed on the ASX, the Listing Rules, be waived by the Board by written notice to the relevant Participant and on such terms and conditions as determined by the Board and set out in that notice.

7.3 **Exercise of vested Award**

Where a Confirmation Notice has been given or deemed to be given by the Company to a Participant in relation to an Award, to exercise that Award:

- (a) the Participant must, at any time:
 - (i) that is between the date of provision (or deemed provision) of a Confirmation Notice relating to that Award and the earlier of the time specified in the Participant's Invitation (if any) and the Expiry Date; and
 - (ii) if the Company is listed on the ASX, when the Participant is permitted to trade securities under the Securities Trading Policy,

deliver an Exercise Notice to (or as directed by) the Company and, subject to clause 8.4(c), pay the Exercise Price (if any) for that Award to (or as directed by) the Company (**Manually Exercised**); or
- (b) if the Participant's Invitation requires that an Award is automatically exercised, that Award will be deemed exercised on the later of the following:
 - (i) the date of the Confirmation Notice; and
 - (ii) if the Company is listed on the ASX and the Participant is not permitted to exercise Awards under the Securities Trading Policy on such date, the first subsequent day that the Participant is permitted to exercise such Awards (**Automatically Exercised**).

8. Delivery of Securities on Exercise of Awards or Cash Settlement

8.1 Issue, allocation or transfer

As soon as practicable, after the valid exercise or deemed exercise of an Award by a Participant in accordance with clause 7.3, the Company will:

- (a) issue, allocate or cause to be transferred to that Participant the number of Securities that the Participant is entitled under these Rules (**Equity Settled**); and/or
- (b) where permitted in the relevant Invitation, procure the payment of a cash amount to that Participant in accordance with clause 8.5 (**Cash Settled**).

Where an Award may be Cash Settled or Equity Settled (rather than just Equity Settled), the Board may determine the preferred settlement mechanic in its absolute discretion. The Company will also issue a substitute Certificate for any remaining unexercised Awards of that Participant.

8.2 Resulting Securities to rank pari passu

All Resulting Securities will rank pari passu in all respects with:

- (a) in the case of Units, the units of the same class of the Unit Trust; and
- (b) in the case of Shares, the shares of the same class of the Company,

for the time being on issue except to the extent that rights attach to units or shares of that class (as the case may be) by reference to a record date prior to the date of issue or transfer of the relevant Plan Securities to the Participant.

8.3 Listing

This clause 8.3 will only apply if the Company is listed on the ASX. If Resulting Securities are in the same class as Securities which are listed on the ASX, the Company will apply for quotation of the Resulting Securities issued (or any unquoted Resulting Securities transferred) within the time required by the Listing Rules after the date of allotment.

8.4 Exercise Price, Tax and superannuation considerations

Without limiting the amounts which may be deducted or withheld under applicable laws, regulations or, if the Company is listed on the ASX, the Listing Rules, where Awards are exercised and the Resulting Securities are to be delivered under clause 8.1 the Company may:

- (a) require the Participant to reimburse the Company for any Tax which the Company is required to withhold or any superannuation amounts (or equivalent social security contributions, if applicable) which the Company is required to withhold but does not so withhold;
- (b) sell on behalf of the Participant the number of Resulting Securities required to provide the funds required to be withheld on account of Tax or a superannuation amount (or equivalent social security contributions, if applicable);
- (c) with the prior agreement of the Participant sell on behalf of the Participant the number of Resulting Securities required to provide the funds required for the Exercise Price (if any) relating to the exercised Awards; and/or
- (d) raise the amount required to be either withheld on account of Tax or superannuation (or equivalent social security contribution, if applicable), or in relation to Exercise Price (if any) relating to the exercised Awards through any combination of the methods in paragraph (a) to (c).

8.5 Cash settled

Where the Board determines that any Awards will be Cash Settled in accordance with 8.1(b), the cash payment to be made to the Participant will be determined by reference to the calculation method set out in the relevant Participant's Invitation and have regard to:

- (a) the value of the Securities (as determined by the Board acting reasonably) which would otherwise have been granted to the Participant if the Awards had been Equity Settled and as set out in the relevant Invitation; and
- (b) the funds required:
 - (i) to be withheld on account of Tax or a superannuation amount (or equivalent social security contribution, if applicable); and/or
 - (ii) for the Exercise Price (to the extent not already paid) relating to the exercised Awards.

9. Forfeiture of Awards

9.1 Leaver

- (a) Unless the Participant's Invitation provides otherwise, if a Participant becomes a Leaver:
 - (i) they will retain all of their vested Awards; and
 - (ii) all of their unvested Awards will be forfeited on a date determined by the Board unless the Board provides express written consent that the Participant may retain any or all of their unvested Awards (in such circumstances, the Awards will be subject to the terms and conditions that the Participant held those Awards prior to becoming a Leaver, or such other terms and conditions as the Board sees fit).
- (b) Subject to the Corporations Act and any other applicable laws, regulations and, if the Company is listed on the ASX, the Listing Rules, the Board may determine that some or all of the Awards retained by a Participant are deemed to have vested².

9.2 Failure to satisfy Vesting Conditions and Exercise Conditions

- (a) Unless otherwise stated in the Invitation or determined by the Board in its absolute discretion, an Award which has not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable Vesting Conditions have not been met or cannot be met by the relevant date.
- (b) Unless otherwise stated in the Invitation or determined by the Board in its absolute discretion, an Award which has not yet been exercised will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable Exercise Conditions have not been met or cannot be met by the relevant date.

9.3 Fraudulent or dishonest actions

- (a) Unless varied by prior agreement with the Board, where in the opinion of the Board, a Participant:
 - (i) acts fraudulently or dishonestly in his or her involvement with Liberty; or
 - (ii) has committed a breach of his or her obligations to any member of the Liberty group,then the Board may deal with, or take any other actions, in relation to their Awards or relevant Resulting Securities or the proceeds of a Cash Settlement so as to ensure that no benefit is obtained by the Participant as a result of such actions, including (without limitation):
 - (iii) by requiring any Awards or Resulting Securities of the Participant to be forfeited or compulsorily divested in any manner determined by the Board and consistent with applicable laws, regulations and, if the Company is listed on the ASX, the Listing Rules; or
 - (iv) where any Resulting Securities held by the Participant as a result of the exercise of one or more Awards have been sold by the Participant, by requiring the Participant to pay all or part of the net proceeds of that sale (to the extent that they exceed the Exercise Price paid

² Note: The determination to accelerate the vesting of an Award in connection with a Participant's termination may be a termination payment under the Corporations Act. It is important to consider Part 2D.2 Division 2 of the Corporations Act (see clause 9.10) in these circumstances.

by the Participant to the Company in respect of those Resulting Securities) to the Company.

- (b) Unless varied by prior agreement with the Board, where, in the reasonable opinion of the Board, a Participant's Award vests as a result of the fraud, dishonesty or breach of obligations of another person and, in the opinion of the Board, the Award would not otherwise have vested, the Board may determine that the Award has not vested and may, subject to applicable laws, deal with, or take any other actions, in relation to the Participant's Awards or relevant Resulting Securities so as to ensure that no benefit is obtained by the Participant as a result of such actions of another person, including (without limitation) determine that the relevant Award has not vested and that the Vesting Conditions applicable to that Award will be reset in the manner determined by the Board acting reasonably.

9.4 **Joining a Competitor**

Where in the opinion of the Board, a Participant becomes involved, directly or indirectly, with any Competitor in any capacity, whether alone, or in partnership or a joint venture or with anyone else and whether as an employee, consultant, contractor, partner, unitholder, shareholder or trustee, then the Board may in its absolute unfettered discretion deal with, or take any other actions, in relation to the Participant's Awards or relevant Resulting Securities or the proceeds of a Cash Settlement, including (without limitation):

- (a) requiring any Awards or Resulting Securities of the Participant to be forfeited or compulsorily divested in any manner determined by the Board and consistent with applicable laws, regulations and, if the Company is listed on the ASX, the Listing Rules; or
- (b) where any Resulting Securities held by the Participant as a result of the exercise of one or more Awards have been sold by the Participant, by requiring the Participant to pay all or part of the net proceeds of that sale (to the extent that they exceed the Exercise Price paid by the Participant to the Company in respect of those Resulting Securities) to the Company.

9.5 **Insolvency**

Unless otherwise determined by the Board or stated in the Invitation, all of a Participant's Awards (whether vested or unvested) will be forfeited on the date that the Board determines that the Participant has become Insolvent.

9.6 **Breach of these Rules**

Unless otherwise determined by the Board, where the Company notifies a Participant of a breach by that Participant of these Rules or the Participant's Invitation and the Participant is unable to remedy the breach to the satisfaction of the Board within 20 Business Days of receiving notice from the Company, the Board may require the Participant to forfeit any or all of their Awards on a date that the Board determines.

9.7 **Change of control of Nominated Affiliate**

Unless otherwise stated in the Invitation, a Participant that is a Nominated Affiliate must obtain the written consent of the Company (acting by the Board) prior to undergoing a change of control. If prior written consent is not obtained, the Board can require that all of the Participant's Awards (whether vested or unvested) be forfeited on the date that the Board determines.

9.8 **Other forfeiture events**

Unless the Board otherwise determines, or as otherwise set out in these Rules;

- (a) an Award which has not yet been validly exercised in accordance with these Rules will be automatically forfeited on the Expiry Date; and
- (b) an Award held by a Participant in accordance with these Rules will also be forfeited in any other circumstances expressly set out in the Participant's Invitation.

9.9 **Discretion**

- (a) Notwithstanding clauses 9.1 to 9.8 (inclusive), the Board may decide (on any conditions which it thinks fit) that some or all of the Participant's Awards will not be forfeited at that time.
- (b) The Board may elect to disapply any of clauses 9.1 to 9.8 (inclusive), or add any further forfeiture terms, to a particular grant of Awards provided that such election is expressly set out in the Invitation relating to that grant.

9.10 **Voluntary forfeiture**

A Participant may by written notice to the Company voluntarily forfeit their Awards for no consideration.

9.11 **Application of Part 2D.2 Division 2 of the Corporations Act**

- (a) This clause 9.11 applies to all termination payments to which Part 2D.2 Division 2 of the Corporations Act applies.
- (b) Notwithstanding any other provision of these Rules, in the absence of shareholder approval, the Company is not required to provide, or procure the provision, of any benefit under these Rules which is not permitted by Part 2D.2 Division 2 of the Corporations Act.
- (c) Any benefits required to be provided to a Participant in accordance with these Rules or an Invitation will, by operation of this clause, be reduced to ensure compliance with Part 2D.2 of the Corporations Act and the provision of such reduced benefit will constitute full satisfaction of the obligations of each member of the Group. In the event of overpayment to a Participant, the Participant must, on receiving written notice from the Board, immediately repay any monies or benefits specified in such notice to ensure compliance with Part 2D.2 of the Corporations Act.
- (d) Where clause 9.11(b) applies, the Company may seek or not seek shareholder approval in its discretion.

10. Effect of Forfeiture of Awards

Where an Award has been forfeited in accordance with these Rules:

- (a) the Award will automatically lapse;
- (b) the Participant must sign any documents required by the Company to effect the forfeiture of that Award; and
- (c) the Company will not be liable for any damages or other amounts to the Participant in respect of

that Award.

11. Disposal Restrictions

11.1 Disposal restrictions and compliance with the Securities Trading Policy

If these Rules or a Participant's Invitation provide that any Resulting Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction, including but not limited to imposing an ASX Holding Lock (where applicable) on the Resulting Securities or using an employee securities trust to hold the Resulting Securities during the relevant restriction period. Regardless of whether any restrictions have been imposed under this clause 11.1 all Participants must comply with the Securities Trading Policy (if the Company is listed on the ASX) and Constitutions at all times.

11.2 Participant's undertaking

For so long as a Resulting Security is subject to any disposal restrictions under this Plan, the Participant will not without the prior express written consent of the Board:

- (a) Dispose of that Resulting Security, or have a Security Interest granted over that Resulting Security; or
- (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions.

12. Adjustment of Awards

12.1 Reorganisation

If there is a reorganisation of the issued share capital of Liberty (including any subdivision, consolidation, reduction, return or cancellation of such issued capital), the right of the Awards and the Participants holding Awards will be adjusted:

- (a) if the Company is not listed on the ASX, in the manner determined by the Board having regard to clause 12.6; or
- (b) if the Company is listed on the ASX, to comply with the Listing Rules, applicable laws and regulations.

12.2 Bonus Issue

- (a) If Securities are issued by Liberty pro rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends/distributions or by way of dividend/distribution reinvestment), the holder of Awards is entitled, upon exercise of the Awards, to receive, in addition to the Securities in respect of which the Awards are exercised and without the payment of any further consideration, an allotment of as many additional Securities as would have been issued to a shareholder who, on the date for determining entitlements under the bonus issue, held Securities equal in number to the Securities in respect of which the Awards are exercised.
- (b) Additional Securities to which the holder of Awards becomes so entitled will, as from the time Securities are issued pursuant to the bonus issue and until those additional Securities are

allotted, be regarded as Securities in respect of which the Awards are exercised for the purposes of subsequent applications of clause 12.2(b) and any adjustments which, after the time just mentioned, are made under clause 12.1 to the number of Securities will also be made to the additional Securities.

12.3 Rights Issue

Unless otherwise determined by the Board, a holder of Awards does not have the right to participate in a pro rata issue of Securities made by Liberty or to receive or sell renounceable rights.

12.4 No other participation

Subject to clauses 12.1 to 12.3 (inclusive), during the currency of any Awards and prior to their exercise, the holders of Awards are not entitled to participate in any new issue of Securities of Liberty as a result of their holding of Awards.

12.5 Rounding

Until an Award vests, all calculations adjusting the number of Securities must be carried out to include all fractions, but when an Award vests and is settled the number of Resulting Securities must be rounded down to the next lowest whole number.

12.6 Fairness in application

In the application of this clause 12, the Board may as far as possible (subject any applicable laws, regulations and, if the Company is listed on the ASX, the Listing Rules) make whatever adjustments it deems necessary or desirable to ensure that the consequences of that application are fair as between the Participants and the holders of other securities in Liberty at that time.

12.7 Changes to the Exercise Price

Notwithstanding any other provision in these Rules, the Exercise Price of an Award may not be changed in accordance with these Rules or otherwise unless such change is permitted by applicable laws, regulations and, if the Company is listed on the ASX, the Listing Rules.

12.8 Subject to applicable laws

The application of this clause 12 is subject at all times to all applicable laws, regulations and, if the Company is listed on the ASX, the Listing Rules.

13. Irrevocable power of attorney

In order to ensure compliance with these Rules, each Participant must grant an irrevocable power of attorney (in the form set out in the Invitation or such other form as agreed by the Company) to any person nominated from time to time by the Board.

14. Trust

The Board may, in its discretion, use an employee securities trust or other mechanism for the purposes of holding and/or delivering any Resulting Securities under these Rules on such terms and conditions as determined by the Board in its absolute discretion. For the avoidance of doubt the Board may do all

things necessary for the establishment, administration, operation and funding of an employee securities trust.

15. Change of Control Event

15.1 Notwithstanding any other provision of these Rules, but subject to all applicable laws, regulations, the Listing Rules (if the Company is listed on the ASX) and the terms of a Participant's Invitation, if:

- (a) a Change of Control Event occurs;
- (b) or the Board determines for the purpose of this Plan that such a Change of Control Event is likely to occur,

the Board may in its absolute discretion determine the manner in which any or all of the Participant's Awards (whether vested or unvested) and Resulting Securities (as applicable) will be dealt with.

15.2 In determining how to deal with a Participant's Awards and Resulting Securities under clause 15.1, the Board may (but is not obliged to):

- (a) have regard to the following factors:
 - (i) the performance of Liberty against targets in the Vesting Conditions at that time;
 - (ii) the period of time that has elapsed between the Grant Date and the date of the Change of Control Event; or
 - (iii) the circumstances of the Change of Control Event; and
- (b) determine that the Participant may participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event;
- (c) determine that a Participant be required to sell their Resulting Securities into the Change of Control Event; and
- (d) if, as a result of the Change of Control Event, Liberty has or will become a wholly owned subsidiary of an entity listed on an internationally recognised stock exchange (**New Head Company**), determine that a Participant's unvested Awards be exchanged for awards issued by the New Head Company with equivalent value and (so far as is legally practicable) the same rights; and/or
- (e) determine that a Participant's unvested Awards be cancelled for fair market value, where the Board has determined (in good faith) that it is necessary or desirable for the purposes of a Change of Control Event that all unvested Awards are cancelled prior to, or with effect from, a Change of Control Event.

15.3 In this clause, references to **Confirmed Awards** are to Awards in respect of which a Participant has received (or has been deemed to receive) a Vesting Notice and a Confirmation Notice and which remain unexercised on the third Business Day prior to the Change of Control Event occurring. Notwithstanding any other provision of these Rules, but subject to all applicable laws, regulations, the Listing Rules (if the Company is listed on the ASX) and the terms of a Participant's Invitation, if:

- (a) the Board determines for the purpose of this Plan that such a Change of Control Event is likely to occur; and

- (b) the Change of Control Event has caused, or will cause, Liberty to become a wholly owned subsidiary of a New Head Company;

the Board may in its absolute discretion require that some or all of a Participant's Confirmed Awards:

- (c) be exchanged for awards issued by the New Head Company with equivalent value and (so far as is legally practicable) the same rights; and/or
- (d) be cancelled for fair market value, where the Board has determined (in good faith) that it is necessary or desirable for the purposes of a Change of Control Event that all Awards are cancelled prior to, or with effect from, a Change of Control Event.

16. Administration of the Plan

16.1 Board administration

The Plan will be administered by the Board. For the avoidance of doubt, the Board may make further provisions for the operation of the Plan which are consistent with these Rules.

16.2 Board powers and discretions

Any power or discretion which is conferred on the Board by these Rules may be exercised in its sole and absolute discretion. The Board does not, in exercising any power or discretion under these Rules, owe any fiduciary or other obligations to any Eligible Participant or Participant.

16.3 Delegation of Board powers and discretions

Any power or discretion which is conferred on the Board by these Rules (including, without limitation, the power to invite Eligible Participants to participate in the Plan and to determine the terms and conditions of the Awards) may be delegated by the Board to:

- (a) a committee consisting of such directors, other officers, employees of, or contractors or consultants to the Group, or any combination of such persons as the Board thinks fit;
- (b) a related body corporate of the Company; or
- (c) a third party,

for such periods and on such conditions as the Board thinks fit.

16.4 Documents

The Company may from time to time require an Eligible Participant invited to participate in the Plan, a Participant or a Nominated Affiliate to complete and return such other documents as may be required by law to be completed by that Eligible Participant, Participant or Nominated Affiliate or such other documents which the Company considers should, for legal, taxation and/or administrative reasons, be completed in order to give effect to the intent of the Plan.

16.5 Decisions final

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 and all calculations and

determination made by the Board under these Rules are final, conclusive and binding in the absence of manifest error.

17. Substituted Entity

If a Substituted Entity structure is adopted in respect of Liberty, each Participant must do all things reasonably requested by the Board to give effect to the introduction of the Substituted Entity including (without limitation) substituting any securities they hold with securities in the Substituted Entity.

18. Restrictions on and amendments to the Plan

18.1 Compliance with applicable laws and regulations

Notwithstanding these Rules or any terms of an Award, no Award may be offered, granted, vested or exercised, and no Resulting Security may be issued, allocated or transferred if to do so would contravene any applicable laws, regulations or, if the Company is listed on the ASX, the Listing Rules.

18.2 Amendment of Plan

- (a) Subject to clause 18.2(b), the Board may:
 - (i) at any time amend any provisions of these Rules, including (without limitation) the terms and conditions upon which any Awards have been or will be granted under the Plan; and
 - (ii) determine that any amendments to these Rules be given retrospective effect, immediate effect or future effect.
- (b) No amendment to any provision of these Rules may be made if the amendment materially adversely affects the rights of any Participant as they existed before the date of the amendment, other than an amendment:
 - (i) introduced primarily:
 - (A) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
 - (B) to correct any manifest error or mistake;
 - (C) to allow the implementation of an employee securities trust arrangement pursuant to clause 14;
 - (D) to enable the Plan or any member of the Liberty group to comply with its constituent documents or any other applicable laws, regulations or, if the Company is listed on the ASX, the Listing Rules; and/or
 - (E) 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; or
 - (ii) notified in writing to all Participants whose rights will be materially adversely affected by the amendment and agreed to in writing by those Participants holding at least 50% of the Awards whose rights will be materially adversely affected by the amendment.

- (c) As soon as reasonably practicable after making any amendments to any provisions of these Rules, the Board will give notice of the amendment to each 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.

18.3 **Amendment by addendum**

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.

19. Duration

19.1 **Termination**

The Plan continues in operation until the Board decides to end it.

19.2 **Suspension**

The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension.

19.3 **Effect of Termination / Suspension**

If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

19.4 **Cancellation of Awards**

Notwithstanding any other provisions of these Rules, but subject at all times to any applicable laws, regulations and, if the Company is listed on the ASX, the Listing Rules, if a Participant and the Company (acting by the Board) agree in writing that some or all of the Awards granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Awards may be cancelled in the manner agreed between the Company and the Participant.

20. Miscellaneous

20.1 **Rights of Participants**

Nothing in these Rules:

- (a) confers on any person any right or expectation to become a Participant, or the right to be invited to apply for, or be offered or to receive any Awards;
- (b) confers on any person the right to continue as an employee, officer, contractor or consultant of any member of the Group (as the case may be);
- (c) affects the rights of any member of the Group to terminate the Engagement Arrangement of an Eligible Participant;
- (d) forms part of any contract of service between an Eligible Participant and any member of the Group;

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- (e) may be used to increase rights of compensation or damages in any action brought against a member of the Group in respect of any termination of an Engagement Arrangement;
- (f) confers any legal or equitable right on an Eligible Participant whatsoever to take action against any member of the Group in respect of their Engagement Arrangement; or
- (g) confers on an Eligible Participant any rights to compensation or damages in consequence of the termination of their Engagement Arrangement by any member of the Group for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination.

20.2 Non-exclusivity

- (a) This Plan is not the sole means by which all members of the Group intend to provide incentives to Eligible Participants. Nothing in this Plan is intended to restrict any member of the Group from remunerating or otherwise rewarding employees or officers of any member of the Group outside the Plan.
- (b) Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme operated by any member of the Group unless the terms of that other scheme provide otherwise.

20.3 Notice

- (a) Any notice or other communication under or concerning the Plan is validly given:
 - (i) if it is in legible writing and in English;
 - (ii) to an Eligible Participant, if delivered personally to the addressee or sent by prepaid post to the Eligible Participant's last known residential address, or sent to the Eligible Participant by email at the Eligible Participant's place of work;
 - (iii) to a Participant, if delivered personally to the addressee or sent by prepaid post to the Participant's last known residential address, or sent to the Participant by email at the Participant's place of work; and
 - (iv) to the Company, if delivered or sent by prepaid post addressed to the company secretary at the Company's registered office (or any other address the Board specifies), or as otherwise notified by the Company from time to time.
- (b) Subject to clause 20.3(a), a notice or other communication will be deemed to have been served:
 - (i) if delivered by hand, at the time of delivery;
 - (ii) if sent by electronic mail, on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery; or
 - (iii) if posted, and provided it is properly addressed and stamped, 48 hours after mailing in Australia and 7 days after mailing outside Australia.

20.4 Further assurances

Each Participant must do all things reasonably necessary to give full effect to this Plan and the transactions contemplated by this Plan.

20.5 Duties and taxes

- (a) The Company will be responsible for all brokerage costs payable in relation to the issue or transfer of a Resulting Securities to a Participant following the exercise of an Award. Each Participant will be responsible for all costs associated with the disposal of a Resulting Securities by that Participant.
- (b) Subject to clause 20.5(a), the Company:
 - (i) is not responsible for any duties, taxes or other government levy or impost which are or may become payable by any person other than the Company on:
 - (A) the acquisition and issue of an Award;
 - (B) the acquisition, allocation, issue or transfer of a Resulting Security or the payment of any cash on or following the exercise of an Award; or
 - (C) acquisition, transfer or any other dealings with a Resulting Security; and
 - (ii) may make any withholding or payment which it is required by law to make in connection with the Plan or the grant, issue, or transfer of an Award and/or Resulting Securities or cash settlement of an Award; and
- (c) when transferring, allocation or issuing a Resulting Securities to a Participant under the Plan, may require the Participant to provide the Company with an amount of money which the Board estimates is necessary to meet the Participant's liability (if any) to pay stamp duty or other taxes in respect of the transfer. Where the Company is provided with funds for that purpose, it must apply the funds in payment of the stamp duty or other tax, arrange for registration of the transfer on the Participant's behalf and return any excess funds to the Participant.

20.6 No representation or warranty

- (a) The Company makes no representation or warranty as to the value of Awards or Resulting Securities, or with respect to any tax, legal or financial matters affecting any Eligible Participant or Participant in connection with the Plan.
- (b) Neither the Company, nor any of its directors, officers, employees contractors or consultants are liable for anything done or omitted to be done by such person or any other person with respect to price, time, quantity or other conditions and circumstances of the issue or acquisition of Awards or Resulting Securities hereunder, with respect of any fluctuations in the market price of Resulting Securities, or in any other manner related to the Plan.

20.7 Data protection

By participating in the Plan, the Participant consents to the holding and processing of personal data provided by the Participant for the purposes of the Plan. These purposes include, but are not limited to:

- (a) administering and maintaining employee and Participant records;
- (b) providing information to Group Companies, registrars, brokers or third party administrators of the Plan (if any) or advisers to the Company; and

- (c) providing information to corporate advisers or potential future third party purchasers in connection with a sale of shares in a Group Company, or the business and assets of a Group Company.

20.8 Construed against a party

No provision or expression in these Rules is to be construed against the Company on the basis that the Company (or its advisers) was responsible for the drafting of these Rules.

20.9 Rounding

Subject to clause 12.5, where any calculation or adjustment to be made pursuant to these Rules produces a fraction of a cent or a fraction of an Award or Resulting Security, the fraction will be eliminated by rounding down to the nearest whole number.

20.10 Governing law and jurisdiction

- (a) This Plan is governed by the laws of Victoria, Australia.
- (b) Each Participant submits to the non-exclusive jurisdiction of the courts of Victoria, Australia, and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought in connection with these Rules.

20.11 Waiver of rights

- (a) A waiver of any right, power, authority, discretion or remedy arising upon a breach of or default under these Rules must be in writing and signed by the person granting the waiver, and may be subject to such terms and conditions as determined by the person granting the waiver.
- (b) A failure or delay in the exercise, or partial exercise, of a right, power, authority, discretion or remedy arising from a breach of or default under these Rules, does not prevent the exercise of or result in a waiver of that right, power, authority, discretion or remedy.
- (c) A person is not entitled to rely on a delay in the exercise or non-exercise of a right, power, authority, discretion or remedy arising from a breach of these Rules or default under these Rules as constituting a waiver of that right, power, authority, discretion or remedy.
- (d) A person may not rely on any conduct of another person as a defence to the exercise of a right, power, authority, discretion or remedy by that other person.
- (e) A waiver is only effective in the specific instance and for the specific purpose for which it is given and subject to any specific terms and conditions as specified in the waiver.
- (f) This clause may not itself be waived except in writing.