

Rules of the Suncorp Group Limited Executive Performance Share Plan

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Rules

1. Purpose

The purpose of the Plan is:

- (a) to provide an incentive to Executives to drive continuing improvement in company performance;
- (b) to provide a market competitive long term incentive which allows individuals to be recognised for their contribution to the company; and
- (c) to provide Executives with the opportunity to acquire an ownership interest in the company.

This Plan was adopted by Suncorp-Metway Limited on 13 December 2002.

This Plan was adopted by the Company on the date when the Company became a holding company of Suncorp-Metway Limited in the form amended and novated, substituting the Company for Suncorp-Metway Limited.

2. Definitions

2.1 In these Rules, unless the contrary intention appears:

"Accelerated Vesting Event" means the earliest to occur of the following events:

- (a) the Company becoming aware, as a result of a bidder in relation to Shares giving notice to the Company under section 671B of the *Corporations Act 2001* or otherwise, that an unconditional takeover bid has been made to acquire some or all of the Shares which has resulted in a Change of Control of the Company;
- (b) the Company receiving notice from a bidder in relation to Shares:
 - (i) under section 630 of the *Corporations Act 2001*, that all defeating conditions of a conditional takeover bid to acquire some or all of the Shares have been fulfilled; or
 - (ii) under section 650F(1) of the *Corporations Act 2001*, that all defeating conditions of a conditional takeover bid to acquire some or all of the Shares have been waived by the bidder,

and, in each case, the conditional takeover bid to acquire some or all of the Shares has resulted in a Change in Control of the Company;

- (c) the members of the Company passing a resolution in accordance with item 7 of section 611 of the *Corporations Act 2001* to approve an acquisition which has resulted in a Change of Control of the Company;
- (d) the Company becoming aware that a person has become a 90% holder in relation to Shares (as determined under section 664A of the *Corporations Act 2001*);
- (e) a bidder in relation to Shares giving notice under section 661B of the *Corporations Act 2001* regarding compulsory acquisition of Shares in the bid class;
- (f) a bidder in relation to Shares giving notice under section 662B of the *Corporations Act 2001* regarding a buy out of remaining holders of Shares in the bid class;
- (g) the disposal of the Company's main undertaking and the Board resolving that such disposal should constitute an Accelerated Vesting Event;
- (h) the Company proposing a scheme of arrangement with its members, the court approving the scheme under section 411(4)(b) of the *Corporations Act 2001*, and the scheme having resulted in a Change of Control of the Company; or
- (i) any other event as determined by the Board in its absolute discretion;

"Accelerated Vesting Event Date" means the earliest of any of the following:

- (a) the date that a takeover bidder's relevant interest reaches 50.1% or the bid becomes unconditional, whichever occurs later;
- (b) the date that a resolution is passed in accordance with item 7 of section 611 of the *Corporations Act 2001*;
- (c) the date that the Company becomes aware that a person has become a 90% holder in relation to Shares (as determined under section 664A of the *Corporations Act 2001*);
- (d) the date that a bidder gives a notice under section 661B of the *Corporations Act 2001*;
- (e) the date that a bidder gives a notice under section 662B of the *Corporations Act 2001*;
- (f) the date of disposal of the Company's main undertaking and the Board resolving that such disposal should constitute an Accelerated Vesting event, whichever occurs later;

- (g) the date a scheme of arrangement is approved by court order or becomes unconditional, whichever occurs later; or
- (h) the date specified by the Board in the case of an event determined by the Board to be an Accelerated Vesting Event.

"Acceptance Form" means the form that the Board determines from time to time is to be used by Executives to accept an Offer to participate in the Plan.

"ASX" means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange operated by it as the context requires.

"Board" means all or some of the Directors acting as a board or the person or persons to whom the board of Directors has delegated all or any of its powers.

"Change of Control" means a change in ownership and control of the Company which shall be deemed to occur on the first date on which one person's voting power (as defined in the *Corporations Act 2001*) in the Company increases from 50% or below to more than 50% as a result of acceptances of offers under a takeover bid, an acquisition approved under item 7 of section 611 of the *Corporations Act 2001*, on-market purchases in accordance with items 2 and 3 of section 611 of the *Corporations Act 2001*, or a scheme of arrangement.

"Company" means **Suncorp Group Limited ABN 66 145 290 124**.

"Current Market Price" for a Share means the price published by the ASX as the final price for the previous day on which Shares were traded on the ASX.

"Director" means a director of the Company or any other company within the Group, as the context requires.

"Executive" means a Director or a person whom the Board determines to be an Executive Officer and in full time or permanent part time employment with a company within the Group, or such other full time or permanent part time employee of a company within the Group, as determined by the Board in its absolute discretion.

"Executive Officer" has the same meaning as given to that term in section 9 of the *Corporations Act 2001*.

"Forfeited Share" means a Plan Share forfeited pursuant to clause 13.

"Group" means the Company and each Subsidiary.

"Law" means the applicable legislation of every jurisdiction that may apply in relation to the Plan.

"**Listing Rules**" means the official listing rules of the ASX.

"**Managing Director**" means the managing Director of the Company.

"**Nominee**" means a person who on a written application by an Executive is approved by the Board to be Offered Shares and who is:

- (a) a spouse, parent, child, brother or sister of the Executive; or
- (b) a company controlled by the Executive or a person set out in paragraph (a).

"**Notice of Withdrawal**" means a duly completed and executed request by a Participant Beneficiary for permission to withdraw some or all of the Plan Shares.

"**Offer**" means an invitation made under clause 4.1 to an Executive to participate in the Plan.

"**Offered Share**" means a conditional entitlement to a Share, subject to the satisfaction of Performance Criteria (if any) and other terms of the Offer .

"**Participant**" means an Executive who has accepted an Offer in accordance with clause 4.4.3.

"**Participant Beneficiary**" means a Participant who has become entitled to Shares in accordance with clause 5 and for whom the Trustee has allocated and holds Shares in accordance with these Rules and the terms of the Trust Deed.

"**Performance Criteria**" means, in relation to an Offered Share, the performance criteria prescribed by the Board in accordance with clause 4.2.1.

"**Performance Period**" means, in relation to an Offered Share, the period of time prescribed by the Board in accordance with clause 4.2.2 or such lesser period determined under these Rules.

"**Plan**" means the Suncorp Group Limited Executive Performance Share Plan which is governed by these Rules.

"**Plan Share**" means a Share held by the Trustee for a Participant Beneficiary in accordance with these Rules and the terms of the Trust Deed.

"**Rules**" means the rules of the Plan set out in this document, as amended from time to time.

"**Qualifying Reason**" means:

- (a) death of the Participant;

- (b) circumstances which, in the opinion of the Board, constitute Total and Permanent Disablement;
- (c) cessation of a Participant's employment with the Company or with a Subsidiary at the normal retirement age, or at an earlier retirement age with the Company's consent, but excluding dismissal or resignation;
- (d) termination of a Participant's employment with the Company or with a Subsidiary which, in the opinion of the Board, occurs by reason of:
 - (i) a restructure or state of affairs within the Company or a Subsidiary whereby the position previously being occupied by the Participant no longer exists within the Company or the Subsidiary; or
 - (ii) the Subsidiary that employs a Participant ceasing to be a Subsidiary;
- (e) circumstances which in the opinion of the Board have resulted or will result in significant changes to the structure or control (as defined in section 50AA of the *Corporations Act 2001*) of the Company which may adversely affect the rights of or value of benefits to Participants, of which the Board gives written notice to the Trustee; or
- (f) any other reason as determined by the Board in its absolute discretion.

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

"**Subsidiary**" means a subsidiary of the Company as defined in Division 6 of Part 1.2 of the *Corporations Act 2001*.

"**Total and Permanent Disablement**" means the Participant being incapacitated to such an extent as to render the Participant unable ever to engage in work for reward of any occupation or work which he or she is reasonably capable of performing by reason of education, training or experience.

"**Trust**" means the **Suncorp Group Limited Executive Performance Share Plan Trust**.

"**Trustee**" means the trustee of the Trust for the time being.

"**Trust Deed**" means the deed establishing the Trust as amended from time to time.

"**VWAP**" means the volume weighted average price of Shares traded on the ASX over a stated period of time.

2.2 In these Rules, unless the context otherwise requires:

- 2.2.1 a reference to these Rules or this document means this document and includes any variation or replacement of it;
 - 2.2.2 a reference to a statute, other law or the Listing Rules includes regulations and other instruments under it and any consolidations, amendments, re-enactments or replacements of it;
 - 2.2.3 the singular includes the plural number and vice versa;
 - 2.2.4 a reference to a gender includes a reference to each gender;
 - 2.2.5 "includes" means includes but without limitation;
 - 2.2.6 where a word or phrase is given a defined meaning in these Rules, any other part of speech or grammatical form in respect of such word or phrase has a corresponding meaning;
 - 2.2.7 a reference to an act includes an omission and a reference to doing an act includes executing a document;
 - 2.2.8 a reference to a person includes the legal personal representative of that person and also corporations and other entities recognised by law; and
 - 2.2.9 a reference to a clause or paragraph is a reference to a clause or paragraph of these Rules, or the corresponding Rule or Rules, as amended from time to time.
- 2.2 A heading is for reference only. It does not affect the meaning or interpretation of these Rules.

3. Commencement of the Plan

The Plan will take effect on and from such date as the Board may resolve.

4. Offer to Participate and Acceptance

4.1. Eligibility

The Board may in its absolute discretion make an Offer to an Executive on a recommendation of the Managing Director or as selected by the Board.

4.2. Performance Criteria

The Board may in its absolute discretion in relation to an Offer to be made to an Executive prescribe:

4.2.1 Performance Criteria that must be satisfied as a condition to the Executive's entitlement to be allocated the Offered Shares; and

4.2.2 the period of time during which the Performance Criteria prescribed in accordance with clause 4.2.1. must be assessed.

4.3. Offer to participate in the Plan

An Offer to an Executive must be in writing and must specify:

4.3.1 the date of the Offer;

4.3.2 the maximum number of Shares the subject of the Offer;

4.3.3 the Performance Criteria (if any) applicable to some or all of the Offered Shares;

4.3.4 the Performance Period (if any) applicable to some or all of the Offered Shares;

4.3.5 the circumstances (if any) in which the Board may elect (pursuant to clause 5.4) to satisfy a Participant's entitlement upon vesting of Offered Shares through a cash payment in lieu of an allocation of Shares.

4.3.6 any other terms and conditions relating to the Offer which in the opinion of the Board are fair and reasonable but not inconsistent with these Rules;

4.3.7 the minimum holding periods (if any) in relation to any or all Shares allocated in accordance with clause 5.3;

4.3.8 the name or title of the person designated by the Board as the person to whom the Acceptance Form must be sent; and

4.3.9 the time and date by which the Acceptance Form must be received by the person referred to in clause 4.3.8.

The Offer must be accompanied by an Acceptance Form.

4.4. Acceptance by Executive

4.4.1 To accept an Offer, an Executive must complete and sign the Acceptance Form accompanying the Offer and return it to the person designated by the Board in accordance with clause 4.3.8, by the time and date specified in the Offer.

4.4.2 By accepting an Offer the Executive agrees to be bound by these Rules and the Trust Deed.

- 4.4.3 An Executive becomes a Participant in the Plan upon receipt by the Company of the Executive's acceptance of an Offer in accordance with clause 4.4.1.
- 4.4.4 On acceptance of an Offer, or afterwards at the discretion of the Board, an Executive may nominate that any Shares to which they may become entitled be allocated to their Nominee in accordance with these Rules.
- 4.4.5 Acceptance of an Offer by a Participant does not give the Participant a legal or beneficial interest in a Share. A Participant will only have an entitlement to a Share on satisfaction of the Performance Criteria relevant to the Offered Shares and otherwise in accordance with the Offer and these Rules.

5. Vesting of Offered Shares

- 5.1 Subject to clause 5.7, the Offered Shares will vest to the extent that any applicable Performance Criteria are satisfied within the Performance Period(s) specified in the Offer and any other vesting pre-conditions (set out in the terms of Offer in accordance with clause 4.3) are met.
 - 5.1A For the avoidance of doubt, the Offer may specify when the allocation of Shares to Participants must occur (for example, where the Offer allows Participants to choose the Performance Period).
- 5.2 Upon vesting of Offered Shares under clause 5.1, the Participant becomes entitled to a number of Shares which is equal to the number of Offered Shares which vest under the terms of Offer – unless the Board exercises a discretion in accordance with the terms of Offer to satisfy the Participant's entitlement on vesting through a cash payment in lieu of an allocation of Shares.
- 5.3 Where a Participant becomes entitled to Shares in accordance with clause 5.2, the Company must:
 - 5.3.1 issue Shares to the Trustee, or procure that the Trustee acquires the number of Shares, to hold on behalf of the Participant or their Nominee in accordance with these Rules and the terms of the Trust Deed; or
 - 5.3.2 direct the Trustee to allocate that number of Shares to the Participant from Shares already held by the Trustee, to hold on the Participant's or their Nominee's behalf.
- 5.4 Upon allocation of Plan Shares to a Participant Beneficiary under clause 5.1 of the Rules, the Company will direct the Trustee to give to the Participant Beneficiary either:

- 5.4.1 a cash sum equal to the total of any dividends received by the Trustee in respect of those Plan Shares between the date of the Offer and the date of allocation, less any Tax paid by the Trustee in respect of such dividends; or
- 5.4.2 an additional number of Shares equal to the sum referred to in clause 5.4.1 divided by the VWAP of the Shares over the 5 Business Days prior to the date of allocation of the Plan Shares. Such additional Shares will become Plan Shares allocated to the Participant Beneficiary.
- 5.5 At the time the Trustee commences to hold Shares on behalf of a Participant or their Nominee, that Participant becomes a Participant Beneficiary under these Rules.
- 5.6 Where the Board exercises its discretion, in accordance with clause 0, to make a cash payment to a Participant in lieu of an allocation of Shares, the Company must pay to the Participant:
- 5.6.1 an amount equivalent to the number of Offered Shares which the Participant would have been allocated under clause 5.3.1 multiplied by the Current Market Price; plus
- 5.6.2 an additional amount equal to the cash sum to which the Participant would have been entitled under clause 5.4.1,
- had the Participant's entitlement upon vesting been satisfied through an allocation of Shares. Cash payments will be paid net of withholding tax, social security contributions, and other withholdings or deductions in accordance with law.
- 5.7 If the Performance Criteria (if any) relating to Offered Shares are not satisfied within the Performance Period(s) specified in the Offer in relation to those Offered Shares, any rights of the Participant in relation to those Offered Shares lapse.

6. Accelerated Vesting Events

- 6.1. The Trustee must notify each Participant in writing of the occurrence of an Accelerated Vesting Event as soon as possible after the Accelerated Vesting Event Date.

7. Cessation of Employment

- 7.1 Where a Participant ceases to be employed by a company within the Group (and is not immediately employed by another company within the Group) other than because of a Qualifying Reason, any rights of the Participant relating to Offered Shares which have not vested, lapse.

7.2 Where a Participant ceases to be employed by a company within the Group (and is not immediately employed by another company within the Group) due to a Qualifying Reason, (unless otherwise determined by the Board) the number of Offered Shares for that Participant which have not vested under clause 5 will be pro-rated and will remain available for vesting subject to the relevant Performance Criteria on the following basis:

Step 1. Calculate the number of days from the beginning of the Performance Period up to and including the date of cessation of employment.

Step 2. Divide the result from Step 1 by the number of days in the Performance Period.

Step 3. Multiply the number of Offered Shares for that Participant by the result from Step 2.

Step 4. The number of Offered Shares calculated in Step 3 will vest subject to the relevant Performance Criteria as measured over the reduced Performance Period, ending on the date of cessation of employment.

8. Maximum Number of Shares

8.1 Shares must not be issued under this Plan if the number of Shares to be issued when aggregated with:

8.1.1 the number of Shares that would be issued if each outstanding offer with respect to Shares, units of Shares and options to acquire unissued Shares or units of Shares, being offers made or options acquired pursuant to an employee share or option scheme extended only to employees or Directors of the Company and its associated bodies corporate, were accepted or exercised (as the case may be); and

8.1.2 the number of Shares issued during the previous 5 years pursuant to any employee share or option scheme extended only to employees or Directors of the Company and its associated bodies corporate, but disregarding any offer made, or option acquired or Share issued by way of or as a result of:

8.1.3 an offer to a person situated at the time of receipt of the offer outside Australia;

8.1.4 an offer that was an excluded offer or invitation within the meaning of the Corporations Law as it stood prior to 13 March 2000 including offers to Executive Officers; or

8.1.5 an offer that did not need disclosure to investors because of section 708 of the Corporations Law or section 708 of the *Corporations Act 2001* including offers to Executive Officers,

would exceed 5% of the total number of issued Shares as at the time of the offer.

- 8.2 Shares must not be allocated under this Plan to a Participant if, immediately following the allocation, the Participant would hold a legal or beneficial interest in more than five percent (5%) of the Shares of the Company.
- 8.3 Shares must not be allocated under this Plan to a Participant if immediately following the allocation, the Participant would be in a position to cast, or control the casting of, more than five percent (5%) of the maximum number of votes that might be cast at a general meeting of the Company.

9. No Transfer

- 9.1 Participants must not sell, transfer, mortgage, charge or otherwise dispose of, deal with or encumber any right acquired pursuant to an Offer or any Plan Share other than in accordance with clause 12.
- 9.2 Subject to these Rules and the terms of the Trust Deed, if a Participant dies or the Participant's estate is liable to be dealt with under the laws relating to mental health, the Company and the Trustee will recognise only the personal representative of the deceased or incapacitated Participant as being entitled to the Participant's interest in the Plan and the Trust. The Company and the Trustee may require the legal personal representative to provide the Company or the Trustee (as the case may be) with all such information that it considers necessary, in its absolute discretion, prior to recognising the entitlement of the legal personal representative.

10. Re-organisation of Capital

- 10.1 The number of Offered Shares in relation to each Participant may at the discretion of the Board, be adjusted to a number as the Board determines is appropriate following upon any variation in the share capital of the Company arising from:
- 10.1.1 a reduction, buy-back, subdivision or consolidation of Share capital;
- 10.1.2 a re-organisation of Share capital; or
- 10.1.3 any issue of Shares or other equity, securities or instruments which convert into Shares by way of capitalisation of profits or reserves, other than at market value.
- 10.2 Upon any adjustment being made pursuant to this clause 10 the Board must notify each Participant in writing, informing them of the change in the number of Offered Shares applicable to that Participant.

- 10.3 If, on the making of any adjustment contemplated by this clause, a Participant becomes entitled to a fraction of an Offered Share, that fraction will be disregarded.

11. Ranking of Shares and Quotation

11.1. Ranking of Shares

Plan Shares rank equally with all other existing Shares in all respects including voting rights and entitlement to participate in dividends and in future rights and bonus issues.

11.2. Shares to be quoted on ASX

If Shares of the same class as Shares issued under the Plan are quoted on the ASX, the Company must apply to the ASX within the period applicable under the Listing Rules, if any, for any Shares issued by the Company in accordance with clause 5.3.1 to be quoted.

12. Disposal Restrictions

- 12.1 Subject to clause 13, the Trustee must not sell or transfer a Plan Share allocated to a Participant Beneficiary before the earlier of:

12.1.1 the seventh anniversary of grant of the Offered Share in respect of which the Plan Share was allocated to the Participant Beneficiary;

12.1.2 the time when the Participant Beneficiary ceases to be an employee of a company within the Group (and is not immediately employed by another company within the Group);

12.1.3 following an Accelerated Vesting Event, the time the Trustee receives a written notice from the Participant Beneficiary, requesting that the Plan Share be sold or transferred to the Participant Beneficiary; and

12.1.4 the time the Trustee receives written consent from the Board to a Notice of Withdrawal from the Participant Beneficiary to the Board for the sale or transfer of the Plan Shares.

- 12.2 Upon the happening of the events referred to in clause 12.1.1 or 12.1.2, a Participant Beneficiary has 2 months to either:

12.2.1 give the Trustee a notice that the Participant Beneficiary wishes to arrange through the Trustee the sale of the Plan Shares held by the Trustee on behalf of the Participant Beneficiary; or

- 12.2.2 give the Trustee a notice to transfer the Plan Shares held on behalf of the Participant Beneficiary to the Participant Beneficiary.
- 12.3 The Trustee must take all reasonable steps to act in accordance with a direction given in accordance with clause 12.2, as soon as possible.
- 12.4 Where the Trustee sells the Plan Shares under this clause 12, the Trustee:
- 12.4.1 must sell the Plan Shares at or above the then Current Market Price of the Plan Shares;
- 12.4.2 subject to clause 12.4.1, has no obligation to maximise the sale price of the Plan Shares;
- 12.4.3 may sell the Plan Shares with any other Shares (whether or not held for the Participant Beneficiary or any other Participant Beneficiary);
- 12.4.4 may attribute a sale price to each Plan Share as the Trustee considers appropriate; and
- 12.4.5 may pay the proceeds of sale to the Participant Beneficiary after deducting the costs of sale.
- 12.5 If the Trustee does not receive a notice in accordance with clause 12.2, then the Trustee must transfer the Plan Shares to the Participant Beneficiary as soon as practicable and in any event within 12 months of the end of the notice period referred to in clause 12.2.
- 12.6 A Participant Beneficiary will not have any claim against the Trustee or the Company as a result of the exercise by the Trustee of a power, discretion or determination under this clause 12.
- 12.7 The Company may administer its register of members, and do all things necessary or desirable, for the purpose of preventing a breach of this clause 12 subject to compliance with the Listing Rules.

13. Forfeiture of Plan Shares

- 13.1 Notwithstanding any other provision of these Rules, unless otherwise determined by the Board, a Participant (and any person claiming through him or her) will forfeit any right or interest in any Plan Shares or other rights or entitlements under the Plan to the Trustee if:
- 13.1.1 the Participant is dismissed for cause; or

- 13.1.2 the Participant acts fraudulently or dishonestly, is in serious breach of duty (under a contract or otherwise) to a company within the Group or commits any act of harassment or discrimination); or
 - 13.1.3 in the Board's reasonable opinion, the Participant has brought a company within the Group into serious disrepute; or
 - 13.1.4 the Participant breaches, or attempts to breach, clause 9.1.
- 13.2 The Company may by notice in writing require the Trustee to:
- 13.2.1 hold those Forfeited Shares on behalf of another named Participant Beneficiary (in which case, those shares cease to be "Forfeited Shares"); or
 - 13.2.2 sell any Forfeited Shares and re-allocate the proceeds of sale of such Forfeited Shares in accordance with clause 10 of the Trust Deed.
- 13.3 The Trustee must hold the Forfeited Shares for the purposes of the Plan until it receives a notice from the Company under clause 13.2. The Trustee may allocate income and capital gains in relation to Forfeited Shares in its absolute discretion and may, if it so determines, allocate the distributions to other Participant Beneficiaries in proportion to their holdings of Plan Shares.
- 13.4 Neither the Company nor any entity it controls has, or can have, a beneficial interest in any Shares or other property held by the Trustee under these Rules and the terms of the Trust Deed.

14. Administration of Plan

14.1. Board to administer

The Board will administer and may:

- 14.1.1 determine appropriate documentation and procedures for the administration of the Plan consistent with these Rules;
- 14.1.2 resolve conclusively all questions of fact or interpretation arising in connection with the Plan;
- 14.1.3 establish or cause to be established a Trust to acquire and hold Shares under the Plan, to appoint and remove the Trustee and determine the terms and conditions of the Trustee's appointment;
- 14.1.4 exercise discretions expressly conferred on it by these Rules or which may otherwise be required in relation to the Plan;

14.1.5 delegate to any one or more persons (for such period and on such conditions as it may determine) the exercise of any of its powers or discretions arising under the Plan; and

14.1.6 subject to any restrictions imposed by the Law and the Listing Rules, add to, delete or vary these Rules.

14.2. Board has unfettered discretion

Except as otherwise expressly provided in these Rules, the Board has absolute and unfettered discretion in the exercise of any of its powers or discretions under the Rules and to act or refrain from acting under these Rules or in connection with the Plan.

14.3. Board's power to waive conditions

Subject to the Listing Rules, the Board may, in relation to an Offered Share, waive in whole or in part, on terms it considers appropriate, any of the Performance Criteria or other terms or conditions applicable to the Offered Share.

14.4. Adjustments to Plan in case of foreign resident Participant

If, in relation to an Offer, the Participant or the Executive is not a resident of Australia, the Rules apply to the Offer subject to whatever alterations or additions the Board may determine, having regard to any securities, exchange control or taxation laws or regulations or any other matter that the Board considers directly or indirectly relevant.

15. Rights of Participants

These Rules do not:

- a) confer on any Executive the right to receive any Shares;
- b) confer on any Participant the right to continue as an employee of the Company or any company within the Group;
- c) affect any rights which the Company or any company within the Group may have to terminate the employment of any employee;

and may not:

- d) be used to increase damages in any action brought against the Company or any company within the Group in respect of any such termination.

16. Amendment

16.1 Subject to clause 16.2, the Company may at any time by written instrument or by resolution of the Board amend all or any of the provisions of these Rules (including this clause 16.1) or of an Offer (whether before or after acceptance of the Offer by an Executive).

16.2 No amendment may be made under clause 16.1:

16.2.1 if the amendment would prejudicially affect the existing rights of the Participants under these Rules or under an Offer.

16.2.2 except in accordance with and in the manner stipulated (if any) by any law and the Listing Rules.

17. Termination

17.1 Subject to clause 17.2, the Company may at any time by written instrument or by resolution of the Board, terminate the Plan.

17.2 No action may be taken under clause 17.1 that would prejudicially affect the existing rights of Participants and Plan Shares already allocated under these Rules.

18. Connection with other Plans

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

19. Notices

Any notice regarding Offered Shares and Plan Shares under the Plan will be sent to the registered address of the Participant as recorded in the register of Participants maintained by the Company.

20. Operation of the Plan

The Plan will be operated in accordance with these Rules which bind the Company, the Trustee and each Participant.

21. General

21.1 Notwithstanding any clause of these Rules, Shares may not be issued, purchased, allocated, transferred or dealt with under the Plan if to do so would contravene the *Corporations Act 2001*, the Listing Rules or any other applicable laws.

- 21.2 Where Shares may not be issued, purchased, allocated, transferred or dealt with as outlined in clause 21.1, the Company may pay the cash equivalent (as determined by the Board) of the Shares that the Participant has otherwise become entitled to have allocated to him or her under clause 5.1.

22. Governing Law

The laws of Queensland govern these Rules.