

# **Korvest Performance Rights Plan Rules**

## **Korvest Ltd**

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<b>Contents</b>	<b>page</b>
<b>1. Definitions</b>	<b>1</b>
<b>2. Application of Rules</b>	<b>3</b>
2.1 Performance Rights subject to Rules	3
2.2 Performance Rights do not affect certain relationships	3
<b>3. Administration</b>	<b>3</b>
3.1 Administration of Plan by the Board	3
3.2 Board's power and discretion	3
3.3 Delegation by the Board	4
3.4 Request to complete documents	4
3.5 Board may suspend or cancel the Plan	4
<b>4. Invitation to apply for Performance Rights</b>	<b>4</b>
4.1 Invitation to Executives	4
4.2 Maximum number of Performance Rights	5
<b>5. Applications to participate</b>	<b>5</b>
5.1 Form of application	5
5.2 Agreement to be bound by Rules and Constitution	5
5.3 Grant of Performance Rights	5
5.4 Applications not accepted	6
5.5 Board's determination	6
<b>6. Features of Performance Rights</b>	<b>6</b>
6.1 Right to acquire	6
6.2 Rights generally	6
<b>7. Lapse of Performance Rights</b>	<b>6</b>
7.1 Effluxion of time	6
7.2 Clawback	7
7.3 Effect of lapse	7
<b>8. Disposal restrictions on Performance Rights</b>	<b>7</b>
8.1 Board consent	7
8.2 Death or mental incapacity	7
<b>9. Vesting of Performance Rights</b>	<b>8</b>
9.1 Vesting	8
9.2 Event	8
<b>10. Exercise of Vested Performance Rights</b>	<b>8</b>
10.1 Entitlement to a Share on exercise	8
10.2 Exercise of Vested Performance Rights	8
10.3 Minimum number	8
10.4 Issue or transfer of Shares	9
10.5 Shares rank equally	9
10.6 Application for Quotation	9
<b>11. Disposal Restriction on Shares</b>	<b>9</b>
11.1 Restriction	9
11.2 Waiver of restriction	9

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<b>Contents</b>	<b>page</b>
11.3 Enforcement	9
11.4 Holding Locks	10
11.5 Removing the restriction	10
11.6 Risk of forfeiture	10
11.7 When risk of forfeiture ceases	10
11.8 Korvest to notify and record forfeiture	10
11.9 Consequences of forfeiture	10
11.10 Disposal of forfeited Share	11
11.11 Waiver by Board	11
<b>12. Future issues</b>	<b>11</b>
12.1 Participation only if Performance Rights exercised	11
12.2 Notice	11
12.3 Bonus issues	11
12.4 Reconstruction	12
12.5 Rounding	12
<b>13. Termination of employment</b>	<b>12</b>
13.1 Termination for misconduct	12
13.2 Resignation	12
13.3 Termination for other reasons	12
13.4 Death or Total and Permanent Disablement	13
13.5 Equity or cash	13
<b>14. Change of tax residency</b>	<b>14</b>
<b>15. Calculations and determinations</b>	<b>14</b>
15.1 Force of calculations and determinations	14
15.2 Fractions	14
15.3 Notice of a determination	14
<b>16. Performance Rights register</b>	<b>15</b>
<b>17. Amendment of the Rules</b>	<b>15</b>

# Korvest Performance Rights Plan Rules

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## 1. Definitions

In these Rules, and any invitation, notice or document issued or given in connection with the Plan by Korvest, unless the contrary intention appears:

**ASX** means ASX Limited ACN 008 624 691;

**Board** means the board of directors of Korvest;

**Company Secretary** means the company secretary of Korvest;

**Constitution** means the constitution of Korvest, as amended or replaced from time to time;

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

**Dispose** includes:

- (a) sell, assign, offer, dispose of, transfer or deal in any way with any right, title or interest in any share (whether legal or beneficial and whether for valuable consideration or not); and
- (b) to agree to sell, assign, offer, dispose of, transfer or deal in any way with any right, title or interest in any share (whether legal or beneficial and whether for valuable consideration or not); and
- (c) create, declare or allow to be created any trust over any share,

but does not include a buy-back or transfer of shares undertaken pursuant to a share buy-back by Korvest under the Corporations Act, and **Disposed**, **Disposal** and **Disposing** will be construed accordingly;

**Event** means a time when any of the following have occurred;

- (a) if, under a Takeover Bid or otherwise, a person together with his or her associates acquires Shares which, when aggregated with Shares already acquired by such person and their associates, comprise more than 50% of the issued Shares of Korvest, and such acquisition is or has become unconditional;
- (b) pursuant to an application made to the court under section 411 of the Corporations Act, the court orders a meeting to be held in relation to a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of Korvest or its amalgamation with any other company, the resolution to effect such proposed compromise or arrangement is passed, and the court approves such a compromise or arrangement; or
- (c) Korvest passes a resolution for voluntary winding up;
- (d) an order is made for the compulsory winding up of Korvest; or

- (e) such other event that the Board determines should be treated as an Event;

**Executive** means an employee of a member of the Korvest Group who is concerned, or takes part, in the management of a member of the Korvest Group, as determined by the Board from time to time;

**Exercise Period**, in relation to a Performance Right, means:

- (a) a 12 month period;
- (b) the period otherwise determined by the Board and set out in the invitation made in respect of that Performance Right under clause 4.1; or
- (c) the period otherwise determined by the Board to be the Exercise Period under clause 13 from time to time,

starting on the date on which the Performance Right becomes a Vested Performance Right or the date as set out in the invitation made in respect of that Performance Right under clause 4.1;

**Exercise Price** means the amount (if any) which is payable on the exercise of a Vested Performance Right, as determined by the Board and set out in the invitation made in respect of the Performance Right under clause 4.1, or if no determination is made, the applicable Exercise Price is nil;

**Holding Lock** has the meaning given to that term in the Listing Rules;

**Korvest** means Korvest Ltd ACN 007 698 106;

**Korvest Group** means Korvest and each body corporate that is a subsidiary of Korvest as determined in accordance with Division 6 of Part 1.2 of the Corporations Act;

**Listing Rules** means the Listing Rules of ASX from time to time;

**Participant** means an Executive, or a person who was formerly an Executive, who holds a Performance Right;

**Performance Period** means, in relation to a Performance Right, the financial year of Korvest or other period determined by the Board in respect of which the Board will assess the performance of the Participant or the Korvest Group, or both (as applicable) against the performance criteria specified in the invitation made in relation to that Performance Right under clause 4.1;

**Performance Right** means a right to acquire a Share (whether by issue or transfer at the Board's election) granted under the Plan subject to the Rules;

**Plan** means the Korvest Performance Rights Plan, established and operated under these Rules;

**Record Date** has the meaning given to that term in the Listing Rules;

**Rules** means these rules for the Plan, as adopted by the Board, and as amended from time to time;

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

**Takeover Bid** has the meaning given in section 9 of the Corporations Act;

**Total and Permanent Disablement** means, in relation to a Participant, that the Participant has, in the reasonable opinion of the Board, become permanently incapacitated to such an extent as to render the Participant unlikely to engage in the Participant's usual occupation again;

**Unvested Performance Right** means a Performance Right that has not vested in accordance with these Rules and which is not a Vested Performance Right;

**Vested Performance Right** means a Performance Right which has vested in accordance with these Rules and which is exercisable under these Rules.

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## 2. Application of Rules

### 2.1 Performance Rights subject to Rules

Performance Rights may be granted by Korvest from time to time under the Plan in accordance with, and subject to, these Rules.

### 2.2 Performance Rights do not affect certain relationships

Nothing in these Rules:

- (a) confers on any person any expectation to become a Participant;
- (b) confers on any person the right to be invited to apply for, to be offered or to receive any Performance Rights;
- (c) confers on any person the right to continue as an employee of any member in the Korvest Group;
- (d) affects any termination rights which any member in the Korvest Group may have in respect of the employment of any person employed by a member of the Korvest Group; or
- (e) may be used to increase damages in any action brought against any member in the Korvest Group in respect of any termination of employment.

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## 3. Administration

### 3.1 Administration of Plan by the Board

The Plan will be administered by the Board in accordance with these Rules. The Board may make further rules for the operation of the Plan which are consistent with these Rules, and may make amendments to these Rules in accordance with these Rules.

### 3.2 Board's power and discretion

Except as expressly provided by these Rules, where the Rules provide for a power, determination, interpretation, decision, approval or opinion of Korvest or the Board in relation

to any matter under or in connection to these Rules, the Board is the sole and final arbiter in relation to such matters, and any power, determination, interpretation, approval or opinion in relation to such matter will be final and will be in the absolute discretion of the Board, subject only to such power or discretion being exercised in the interests or for the benefit of Korvest. The Board is not, in exercising any such power or discretion, under any fiduciary or other obligation to any person other than Korvest.

### **3.3 Delegation by the Board**

The Board may delegate any power or discretion which is conferred on the Board by these Rules to:

- (a) a committee consisting of such directors, other officers or employees of Korvest, or any combination of such persons as the Board determines;
- (b) a member of the Korvest Group;
- (c) a third party,

for such periods and on such terms as the Board determines.

### **3.4 Request to complete documents**

The Board may from time to time require a person invited to participate in the Plan or a Participant to complete and return such documents as may be required by law to be completed by that person or Participant, or such other documents which the Board considers should, for legal, taxation, administrative or other reasons, be completed by that person or Participant. If so requested, such person or Participant must complete and return such documents within the time period specified by the Board.

### **3.5 Board may suspend or cancel the Plan**

The Board may from time to time suspend the operation of, or cancel, the Plan at any time, subject to such suspension or cancellation of the Plan not prejudicing the existing rights (if any) of Participants.

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## **4. Invitation to apply for Performance Rights**

### **4.1 Invitation to Executives**

The Board may, subject to clause 4.2 and any approvals of the shareholders of Korvest required by law or the Listing Rules, at any time, invite an Executive to apply for Performance Rights. Any such invitation may be on such terms and conditions as the Board determines for such invitation, including without limitation as to:

- (a) criteria;
- (b) the number of Performance Rights that the relevant Executive may apply for;
- (c) when, and in what circumstances (including Performance Periods), a Performance Right may become a Vested Performance Right and any other criteria to be satisfied;
- (d) the applicable Exercise Period; and

- (e) the applicable Exercise Price (if any).

#### **4.2 Maximum number of Performance Rights**

Performance Rights must not be granted under this Plan if immediately following the proposed grant:

- (a) the number of Shares that would be issued by Korvest if all the Performance Rights proposed to be granted were exercised; plus
- (b) the number of Shares that have been issued or would have been issued by Korvest if all Performance Rights granted under this Plan and all rights to acquire Shares under every other employee incentive scheme in the period of 5 years preceding the time of the proposed issue of Performance Rights under this Plan were exercised (excluding those Performance Rights or options which have lapsed or which have already been exercised); plus
- (c) the number of Shares issued by Korvest for every other employee incentive scheme of Korvest in the period of 5 years preceding the time of the proposed issue of Performance Rights under this Plan,

less any offer for options or rights to acquire Shares or Shares issued by way of or as a result of:

- (d) an offer to a person situated at the time of receipt of the offer outside Australia;
- (e) an offer that did not need disclosure because of section 708 of the Corporations Act; or
- (f) an offer made under a disclosure document under the Corporations Act,

would exceed 5% of the total number of Shares immediately following the proposed grant.

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## **5. Applications to participate**

### **5.1 Form of application**

An Executive who has received an invitation under clause 4.1 must make an application in the manner and in such form as specified in that invitation and in accordance with these Rules.

### **5.2 Agreement to be bound by Rules and Constitution**

In making an application for Performance Rights, the relevant Executive agrees, and is taken to have agreed, to be bound by these Rules and by the Constitution.

### **5.3 Grant of Performance Rights**

Subject to clauses 5.4 and 5.5, where the relevant Executive makes a valid application for Performance Rights in accordance with clause 5.1, Korvest:

- (a) will grant the Performance Rights to the Participant; and
- (b) may give the Participant a certificate or statement in respect of those Performance Rights.

#### **5.4 Applications not accepted**

An Executive's application under clause 5.1 will not be accepted, and no Performance Rights will be granted to the Executive in respect of that application if, at the date the Performance Rights would otherwise be granted had the application been accepted:

- (a) he or she is not an Executive;
- (b) he or she has given their employer within the Korvest Group notice of his or her resignation as an Executive; or
- (c) he or she has been given notice of dismissal from employment as an Executive or if, in the opinion of the Board, he or she has tendered his or her resignation to avoid such dismissal.

#### **5.5 Board's determination**

The Board may determine for any reason that an application under clause 5.1 by an Executive will not be accepted.

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### **6. Features of Performance Rights**

#### **6.1 Right to acquire**

Each Performance Right is a right of a Participant to acquire one Share (whether by issue or transfer, at the Board's election), subject to these Rules.

#### **6.2 Rights generally**

A Participant:

- (a) does not have a legal or beneficial interest in any Shares by virtue of acquiring or holding a Performance Right, and a Participant is not entitled to participate in or receive any dividends or other shareholder benefits in respect of a Performance Right he or she holds until Shares have been issued or transferred (as the case may be) to the Participant as a result of the Performance Right becoming a Vested Performance Right under these Rules, and the subsequent exercise of that Vested Performance Right; and
- (b) has, as a result of acquiring or holding a Performance Right, purely contractual and personal rights, which cannot be Disposed of unless otherwise specifically provided under these Rules.

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### **7. Lapse of Performance Rights**

#### **7.1 Effluxion of time**

Subject to clause 13:

- (a) any Unvested Performance Right and any Vested Performance Right that has not been exercised within the applicable Exercise Period (as may be revised in accordance with these Rules) will automatically lapse at the end of the relevant Exercise Period; and

- (b) any Performance Right that is Disposed of or purported to have been Disposed of without the Board's prior written consent will automatically lapse at the time of Disposal or purported Disposal (as applicable).

## **7.2 Clawback**

- (a) If the Board determines in its absolute discretion that the vesting of Unvested Performance Rights would result in an inappropriate benefit being provided to the Participant, the Board may resolve that all or a number of Unvested Performance Rights will lapse immediately in which case, such Unvested Performance Rights lapse immediately.
- (b) The Board may determine in its absolute discretion the circumstances in which vesting of Unvested Performance Rights would result in an inappropriate benefit being provided, including without limitation, where:
  - (1) a Participant acts fraudulently, dishonestly or has engaged in conduct that adversely affects or is likely to adversely affect the Company's financial position, performance or reputation;
  - (2) a Participant breaches their obligations to the Company or any duties under any applicable law; or
  - (3) there is a material misstatement, omission or error in the Company's financial statements on which the Board has based its determination previously as to whether to grant Performance Rights to the Participant and the number of Performance Rights that were granted to the Participant.

## **7.3 Effect of lapse**

Upon the lapse of a Performance Right under these Rules, the Participant will have no further rights or entitlements in relation to that Performance Right.

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## **8. Disposal restrictions on Performance Rights**

### **8.1 Board consent**

Subject to clause 8.2, Performance Rights may only be Disposed of with the Board's prior written consent.

### **8.2 Death or mental incapacity**

The Board may recognise a legal personal representative of a Participant as a holder of the Participant's Performance Right in circumstances where either the Participant has died or the Participant's estate is liable to be dealt with under the laws relating to mental health, on the production to the Board of documents or other evidence which the Board may require to establish to its satisfaction the entitlement of the legal personal representative.

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## **9. Vesting of Performance Rights**

### **9.1 Vesting**

A Performance Right that has not lapsed under these Rules vests, and otherwise becomes a Vested Performance Right, if:

- (a) the performance criteria set out in the invitation made in relation to that Performance Right under clause 4.1 have been met within the Performance Period; or
- (b) the Board determines that a Performance Right becomes a Vested Performance Right,

and the Board gives the Participant who holds the Performance Right written notice that the Performance Right has vested and become a Vested Performance Right, and that it may be exercised on and from the date the Participant receives such notice.

### **9.2 Event**

Unless the Board determines otherwise, if an Event occurs, then such number of Unvested Performance Rights as is determined by the Board shall vest and become Vested Performance Rights immediately on the occurrence of the Event, with the Board exercising its discretion having regard to the length of time between the commencement of the Performance Period and the date of occurrence of the Event, and the likelihood that the performance criteria set out in the invitation made in relation to those Performance Rights under clause 4.1 would have otherwise been met if the Event had not occurred.

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## **10. Exercise of Vested Performance Rights**

### **10.1 Entitlement to a Share on exercise**

Each Vested Performance Right entitles the Participant to acquire one Share (subject to any adjustment under clause 12) when exercised in accordance with clause 9.2.

### **10.2 Exercise of Vested Performance Rights**

A Vested Performance Right may be exercised at any time during the Exercise Period applicable to that Performance Right, or as otherwise permitted by the Board under these Rules, by the relevant Participant:

- (a) lodging a notice exercising the Vested Performance Right (in a form determined by and acceptable to the Board) with the Company Secretary or such other person as the Board may designate; and
- (b) making payment of the applicable Exercise Price (if any) to Korvest.

### **10.3 Minimum number**

A Participant may only exercise their Vested Performance Rights in multiples of 1,000, with a minimum of 1,000, unless the Participant exercises all of the Vested Performance Rights he or she holds. The exercise of only some Vested Performance Rights does not affect the Participant's right to exercise other Vested Performance Rights at a later time, subject to these Rules.

#### **10.4 Issue or transfer of Shares**

Upon the valid exercise of Vested Performance Rights and subject to the Corporations Act and the Listing Rules, Korvest must procure the issue or transfer (at the Board's election) of the Shares the subject of an exercise of Vested Performance Rights in accordance with these Rules, directly to the relevant Participant or a person named by that Participant and advised in writing to Korvest prior to the transfer or issue of the Shares (as the case may be).

#### **10.5 Shares rank equally**

Shares transferred or issued on the exercise of Vested Performance Rights will rank equally with all other Shares from the date of transfer or issue (as the case may be) of the Shares to the relevant Participant or a person named by that Participant, and that Participant or person will be entitled to receive any dividends that have a Record Date for determining entitlements on and from the date of transfer or issue (as the case may be) of the Shares to that Participant or person (as applicable).

#### **10.6 Application for Quotation**

If Shares are issued, rather than transferred, to the Participant on the exercise of Vested Performance Rights, Korvest will apply as soon as reasonably convenient for the quotation of such Shares with the ASX.

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### **11. Disposal Restriction on Shares**

#### **11.1 Restriction**

Subject to clause 11.2, any Share acquired by a Participant on the exercise of a Vested Performance Right is subject to restriction in accordance with this clause, and must not be Disposed of by that Participant until the earlier of:

- (a) where a period is set out in the invitation to the Participant under clause 4.1 to acquire the Performance Right, the expiration of that period; and
- (b) the time the Participant is not employed by Korvest or any entity within the Korvest Group; and
- (c) the Board, in its sole and absolute discretion, approving a recommendation by the Board's remuneration committee that the restriction on Disposal in this clause 11.1 be released; and
- (d) the end of 2 years commencing on the day the Performance Right became a Vested Performance Right.

#### **11.2 Waiver of restriction**

The Board may determine, at its absolute discretion, to waive the restrictions under clause 11.1 if the Participant makes a written request to the Board at the same time the exercise notice is provided in accordance with clause 10.2.

#### **11.3 Enforcement**

The Board may make such arrangements as it considers necessary to enforce the restriction

on Disposal of Shares under clause 11.1 and the Participant agrees and is taken to have agreed to such arrangements, including without limitation the execution of any escrow or restriction agreement in a form required by the Board.

#### **11.4 Holding Locks**

Without limiting clause 11.3, and subject to the Listing Rules, Korvest may procure that a Holding Lock be put on any Shares that are subject to the restriction on Disposal under clause 11.1.

#### **11.5 Removing the restriction**

As soon as reasonably practicable after the restriction on Disposal of a Share under clause 11.1 no longer applies, Korvest must procure that any restriction on Disposing of that Share pursuant to these Rules no longer applies, including without limitation, removing any Holding Lock.

#### **11.6 Risk of forfeiture**

A Share issued to a Participant on the exercise of a Performance Right is issued to a Participant on the terms that it will be forfeited upon the Participant perpetrating fraud as against Korvest or the Korvest Group, acting dishonestly or committing a breach of the Participant's obligations to Korvest or the Korvest Group.

#### **11.7 When risk of forfeiture ceases**

The right of Korvest to cause a Share held by a Participant to be forfeited under clause 11.6 extinguishes:

- (a) upon the termination of employment of the Participant other than for fraud, dishonesty or a breach of the Participant's obligations to Korvest or the Korvest Group;
- (b) upon the sale or transfer of the Share by the Participant to a third party; or
- (c) on the day after a period of 7 years from the date of grant of the Performance Right upon the exercise of which the Share was granted.

#### **11.8 Korvest to notify and record forfeiture**

When a Share is forfeited under clause 11.7, Korvest must:

- (a) notify the Participant that the Share is forfeited; and
- (b) record the forfeiture and date of forfeiture in the register of shareholders.

A failure to do this does not invalidate the forfeiture.

#### **11.9 Consequences of forfeiture**

The forfeiture of a Share extinguishes:

- (a) the Participant's interest in the Share; and

- (b) all claims against Korvest in respect of the Share, including (without limitation) all dividends presently payable by Korvest on the Share.

#### **11.10 Disposal of forfeited Share**

Subject to the Listing Rules:

- (a) the Participant grants to the Board an irrevocable power of attorney to sell, dispose, transfer or otherwise deal with a forfeited Share on any terms and in any way the Board may decide, with such power able to be exercised by the Board in the event that the Share is liable to be forfeited; and
- (b) if the Board sells, disposes, transfers or otherwise deals with a forfeited Share pursuant to clause 11.10(a), then the Participant acknowledges and agrees that they are not entitled to any proceeds in respect of such dealing, and the Board and Korvest is not under any obligation to act in the interests of the Participant in respect of such dealing and Korvest may retain all net proceeds (if any) of any such dealing.

#### **11.11 Waiver by Board**

The Board may:

- (a) waive any of the rights of Korvest under this clause 11; or
- (b) before any sale, disposal, transfer or other dealing of a forfeited Share, declare the forfeiture void on any terms the Board decides.

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## **12. Future issues**

### **12.1 Participation only if Performance Rights exercised**

A Performance Right does not entitle the holder to participate in new issues of securities to holders of Shares, unless that Performance Right has become a Vested Performance Right and has been exercised and a Share has been issued or transferred to the Participant in respect of that Performance Right, before the Record Date for determining entitlements to securities under the new issue.

### **12.2 Notice**

Korvest must give to Participants who hold Vested Performance Rights notice of any new issue of securities in which holders of Shares are entitled to participate, which notice must be given not less than 10 Business Days before the Record Date for determining entitlements to securities under the proposed new issue.

### **12.3 Bonus issues**

If:

- (a) Korvest makes a bonus issue of Shares or other securities pro rata to holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment); and
- (b) a Performance Right has not been exercised and a Share has not been issued or

transferred in respect of that Performance Right before the Record Date for determining entitlements under the bonus issue,

then the terms of that Performance Right will be altered as follows:

- (c) the number of Shares to which the Participant who holds the Performance Right is entitled on exercise of the Performance Right will be increased by the number of Shares that the Participant would have received if the Participant had exercised the Performance Right and acquired a Share in respect of that Performance Right before the Record Date for the bonus issue; and
- (d) the Exercise Price (if any) of the Performance Right will not be altered.

#### **12.4 Reconstruction**

If there is any reconstruction of the issued share capital of Korvest, the number of Shares to which a Participant is entitled on the exercise of a Performance Right will be reconstructed as required by the Listing Rules in force at the time of the reconstruction and in a manner that will not result in any benefits being conferred on the Participant that are not conferred on shareholders (subject to the provisions with respect to rounding of entitlements as sanctioned by any meeting of shareholders approving the reconstruction of capital), but in all other respects the terms for the exercise of the Performance Rights will remain unchanged.

#### **12.5 Rounding**

Before a Performance Right is exercised, all adjustment calculations are to be carried out inclusive of all fractions (in relation to the Shares and the Exercise Price (if any)). On the exercise by a person of a number of Performance Rights, the aggregate number of Shares acquired by that person as a result of that exercise will be rounded down to the nearest whole number and the Exercise Price (if any) will be rounded to the next higher cent.

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### **13. Termination of employment**

#### **13.1 Termination for misconduct**

Any Vested Performance Rights and Unvested Performance Rights will lapse immediately on termination of the Participant's employment within the Korvest Group for the Participant's misconduct or for any other reason justifying termination without notice.

#### **13.2 Resignation**

Any Vested Performance Rights and Unvested Performance Rights will lapse upon notice of resignation being given by the Participant in respect of the Participant's employment with a member of the Korvest Group.

#### **13.3 Termination for other reasons**

Subject to clause 13.4, if the Participant ceases to be an employee of a member of the Korvest Group for any reason other than a reason set out in clauses 13.1 and 13.2, then:

- (a) a Vested Performance Right will lapse at the end of 30 days following such cessation; and

- (b) subject to clause 13.5, in respect of Unvested Performance Rights:
- (1) such number of Unvested Performance Rights as is calculated in accordance with the formula below, will continue to be Unvested Performance Rights, will vest and become Vested Performance Rights if the performance criteria set out in the invitation made in relation to those Performance Rights are met within the Performance Period, and will be exercisable until the end of the Exercise Period applicable to those Performance Rights:

$$\frac{\text{Relevant Period}}{\text{Performance Period}} \times \text{Total number of Unvested Performance Rights}$$

where:

**Relevant Period** = length of time between the commencement of the Performance Period and the date of cessation;

- (2) the balance of Unvested Performance Rights will lapse immediately following such cessation,

unless the Board determines otherwise.

#### 13.4 Death or Total and Permanent Disablement

If a Participant ceases employment with a member of the Korvest Group as a result of death or Total and Permanent Disablement:

- (a) clauses 13.1 and 13.2 above will not apply to that Participant's Performance Rights;
- (b) that Participant's Vested Performance Rights will remain exercisable by that Participant's estate or legal personal representative who has been recognised by the Board as the holder of the Participant's Performance Rights in accordance with clause 8.2 until the end of the Exercise Period applicable to those Performance Rights;
- (c) subject to clause 13.5, such number of Unvested Performance Rights as calculated in accordance with the formula in clause 13.3(b)(1) will continue to be Unvested Performance Rights, will become Vested Performance Rights if the performance criteria set out in the invitation made in relation to those Performance Rights are met within the Performance Period and will remain exercisable until the end of the Exercise Period applicable to those Performance Rights; and
- (d) the balance of the Participant's Unvested Performance Rights will lapse immediately following such cessation,

unless the Board determines otherwise.

#### 13.5 Equity or cash

To the extent that Unvested Performance Rights would otherwise vest under clause 13.3(b), clause 13.4(c) or as a result of the exercise of the Board determining otherwise pursuant to clause 13.3 or 13.4, the Board may determine to pay to the Participant an amount in lieu of the benefit that the Participant would otherwise receive under clause 13.3(b) or clause 13.4(c), in which case, the relevant Unvested Performance Rights will lapse immediately

following such payment being made to the Participant.

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## **14. Change of tax residency**

If a Participant ceases to be an Australian resident for the purposes of the *Income Tax Assessment Act 1936* (Cth) or the *Income Tax Assessment Act 1997* (Cth):

- (a) that Participant's Vested Performance Rights will remain exercisable by the Participant until the end of the Exercise Period applicable to those Performance Rights;
  - (b) the Board will:
    - (1) determine as soon as reasonably practicable after the Participant ceases to be an Australian resident for tax purposes how many (if any) of that Participant's Unvested Performance Rights will become Vested Performance Rights and, if any become Vested Performance Rights, the Exercise Period applicable to those Performance Rights commencing after the Participant ceases to be an Australian resident for tax purposes; and
    - (2) notify the Participant of that determination in accordance with clause 15.3 below; and
  - (c) the balance of the Participant's Unvested Performance Rights will lapse immediately after the determination in clause 14(b) is made.
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## **15. Calculations and determinations**

### **15.1 Force of calculations and determinations**

All calculations and determinations made by the Board for the purpose of determining whether Performance Rights have become Vested Performance Rights will be final, conclusive and binding on all Participants, in the absence of manifest error.

### **15.2 Fractions**

If a calculation performed in accordance with the steps set out in clauses 13 or 13.5 above results in a fractional number in respect of Performance Rights, the fraction will be eliminated in the following manner:

- (a) if the resulting fraction has a value of 0.5 or more, the fraction will be rounded up to the nearest whole number; and
- (b) if the resulting fraction has a value of less than 0.5, the fraction will be rounded down to the nearest whole number.

### **15.3 Notice of a determination**

If the Board determines that particular Performance Rights are Vested Performance Rights, that determination will take effect on the date that the Participant who holds those Performance Rights is given notice that the Performance Rights are Vested Performance Rights, and the first day on which the Vested Performance Rights can be exercised will be the first day immediately after notice is given by the Board under this Rule.

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## 16. Performance Rights register

Korvest must open and maintain a register in respect of each Participant which contains at least the following information:

- (a) details of the invitation in respect of the person given under clause 4.1;
- (b) the date on which the relevant person became a Participant;
- (c) the performance criteria and Performance Periods applicable to the relevant person;
- (d) the number of Performance Rights that the relevant person may become entitled to apply for;
- (e) the number of Performance Rights (if any) which the relevant person has been granted and the date of each grant (if more than one);
- (f) the time when a Performance Right that has been granted to the relevant person may become a Vested Performance Right and any relevant criteria for that to occur;
- (g) the Exercise Period applicable to that Performance Right (as may be revised in accordance with these Rules);
- (h) the Exercise Price (if any) applicable to the Performance Right; and
- (i) any other related information which the Board considers appropriate to include in the register.

Each Participant may request a summary of his or her record with respect to the Plan in the register by sending a notice to the Company Secretary during normal business hours. That summary will be provided to the requesting Participant free of charge within a reasonable time of receiving that request.

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## 17. Amendment of the Rules

The Board may at any time by written instrument, or by resolution of the Board, amend all or any of the provisions of the Rules (including this clause 17). No amendment to the Rules is to reduce the existing rights of any Participant in respect of any Performance Rights granted to that Participant prior to the date of the amendment, other than with the consent of the Participant or where the amendment is introduced primarily:

- (a) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legal requirements governing, regulating or effecting the maintenance or operation of the Plan or like plans;
- (b) to correct any manifest error or mistake;
- (c) to address possible adverse tax implications for Participants generally or any member of the Korvest Group arising from:
  - (1) a ruling of any relevant taxation authority;
  - (2) a change to tax legislation (including an official announcement by any

- relevant taxation or government authority); or
- (3) a change in interpretation of tax legislation by a court of competent jurisdiction or by any relevant taxation authority; or
- (d) to enable Korvest or any member in the Korvest Group to comply with the Corporations Act or the Listing Rules.