

## HEALTHSCOPE ENTERS INTO IMPLEMENTATION DEED WITH BROOKFIELD

1 FEBRUARY 2019

Healthscope Limited ("Healthscope" or the "Company") today announced that it has entered into an Implementation Deed<sup>1</sup> with an entity controlled by Brookfield Business Partners, and its institutional partners (together, "Brookfield"), under which Brookfield undertakes to acquire 100% of Healthscope by way of scheme of arrangement ("Scheme of Arrangement" or "Scheme") representing total value of \$2.50 per share, and a simultaneous off-market takeover offer ("Takeover Offer") representing total value of \$2.40 per share (together, the "Brookfield Transaction").

- **Under the terms of the Scheme of Arrangement, Healthscope shareholders will be entitled to receive total value of \$2.50 per share (inclusive of an interim dividend of 3.5 cents per share) ("Scheme Consideration")**
- **The Scheme Consideration represents a premium of c.40% to the undisturbed closing price of Healthscope shares on 22 October 2018 of \$1.785**
- **The Scheme Consideration represents an acquisition multiple of c.14.7x EV / EBITDA**
- **The Brookfield Transaction is subject to limited conditions and is not subject to financing or due diligence**
- **The Healthscope Board unanimously recommends the Brookfield Transaction in the absence of a Superior Proposal, and subject to an Independent Expert concluding that the Scheme of Arrangement is in the best interests of Healthscope shareholders and that the Takeover Offer is fair and reasonable**

Healthscope's Chairman, Paula Dwyer, said:

"Having fully considered a range of alternatives, the Board unanimously concluded that the Brookfield Transaction is in the best interests of our shareholders."

"In considering the merits of the Brookfield Transaction, the Directors have at all times been guided by our overarching responsibility to consider the long-term interests of the Company and all of its shareholders. It is our view that the Brookfield Transaction is attractive and will realise significant value for our shareholders."

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<sup>1</sup> Capitalised terms have the meaning given to them in the Implementation Deed, unless otherwise defined in this document.

Brookfield Managing Partner, Len Chersky, said:

"Healthscope is a leading business offering best-in-class, essential services to the well-established and growing private healthcare sector in Australia and the pathology services sector in New Zealand."

"Further, Brookfield is one of the largest builders of hospitals in Australia, and a long-term operator of and investor in service businesses globally. We are confident in the prospects for Healthscope to strengthen, grow, and continue to provide quality healthcare services to the community under our ownership."

### Overview of the Scheme of Arrangement

Under the terms of the Scheme of Arrangement, Healthscope shareholders will be entitled to receive total value of \$2.50 per share (inclusive of an interim dividend of 3.5 cents per share) subject to all applicable conditions being satisfied or waived, and the Scheme of Arrangement being implemented.

Under the Scheme of Arrangement, shareholders will have the option to receive all cash or, subject to certain limitations which will be described in the Explanatory Booklet, to receive the Scheme Consideration as an equity interest in an unlisted company controlled by Brookfield that would own 100% of Healthscope.

The Scheme Consideration represents:

- a c.40% premium to the undisturbed closing price of Healthscope shares on 22 October 2018 of \$1.785 (being the last close price prior to the announcement that Healthscope had received an unsolicited proposal to acquire all the shares in Healthscope by way of a scheme of arrangement);<sup>2</sup>
- an implied equity value of \$4.375 billion and enterprise value of \$5.712 billion;<sup>3</sup>
- implied acquisition multiple of c.14.7x EV / EBITDA<sup>4</sup>

The Scheme of Arrangement is subject to limited conditions and is not subject to financing or due diligence. Full details of the conditions to the Scheme of Arrangement are set out in the Implementation Deed, a copy of which is attached to this announcement.

### Overview of the Takeover Offer

Under the terms of the Takeover Offer, accepting Healthscope shareholders will be entitled to receive total value of \$2.40 per share (inclusive of an interim dividend of 3.5 cents per share) ("Takeover Consideration").

The Takeover Offer is conditional upon, among limited other conditions, Brookfield achieving acceptances from Healthscope shareholders representing 50.1% of Healthscope's total issued capital and the Brookfield Scheme of Arrangement not being successful.

<sup>2</sup> Refer to Healthscope ASX release of 23 October 2018.

<sup>3</sup> Implied equity value of \$4.375 billion based on the Scheme Consideration of \$2.50 per share multiplied by current shares on issue of 1,741,161,795 shares and 8,990,841 unlisted performance rights. Enterprise value includes Healthscope net debt of \$1.337 billion as at 31 December 2018.

<sup>4</sup> Based on Healthscope underlying EBITDA of \$390 million for the 12 months ending 31 December 2018.



It is intended that the Takeover Consideration will be paid to shareholders in part by the Company as a special dividend and capital reduction following the completion of the property transactions outlined below, and in part by Brookfield as cash takeover consideration for the transfer of shares. The components of the Takeover Consideration will be determined having regard to a tax ruling. Once determined, the components of the Takeover Consideration will be communicated to shareholders.

The Takeover Offer will remain open for a period of at least four weeks after the date of the Scheme Meeting. As such, Healthscope shareholders will have the opportunity to consider the Takeover Offer after they have voted on the proposed Scheme of Arrangement and the outcome of that vote is known.

### **Property transactions**

Healthscope has entered into agreements to sell 22 properties to Medical Properties Trust ("MPT") and NorthWest for c.\$2.5 billion and lease them back, conditional on the Scheme becoming effective or control of Healthscope passing to Brookfield under the Takeover Offer.

Of the 22 freehold properties that Healthscope has agreed to sell as part of the Brookfield Transaction, 11 will be acquired by MPT while NorthWest will acquire the remaining 11 hospitals. Further details of the property transactions will be set out in the Explanatory Booklet.

NorthWest has agreed that, subject to certain terms and conditions, it will vote any shares which it acquires in Healthscope in favour of the Brookfield Transaction and to accept the Takeover Offer for those shares.

### **Indicative Timetable**

Healthscope intends to send an Explanatory Booklet to Healthscope shareholders in April / May 2019. The Explanatory Booklet will contain information relating to the Scheme of Arrangement, the Takeover Offer and the property transactions. It will also contain an Independent Expert's Report on whether the Scheme of Arrangement is in the best interests of shareholders and whether the Takeover Offer is fair and reasonable.

A Scheme Meeting is expected to be held in May / June 2019 and, if approved, the Scheme would be implemented shortly thereafter.<sup>5</sup>

### **Next Steps**

Healthscope shareholders do not need to take any action at this stage.

The Healthscope Board will keep the market informed of any material developments in accordance with its continuous disclosure requirements.

UBS is acting as financial adviser and Herbert Smith Freehills as legal adviser to Healthscope in relation to the Brookfield Transaction and the property transactions.

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<sup>5</sup> Dates are indicative only and may change



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## About Healthscope

Healthscope (ticker: HSO) is a leading private healthcare provider with 43 private hospitals in Australia and pathology operations across New Zealand.

Healthscope has a team of over 16,650 people and 17,500 Accredited Medical Practitioners, providing care to patients ranging from pathology tests to complex surgery.

We place the highest priority on quality clinical outcomes, transparency of reporting and elevating the overall patient experience. Healthscope was the first private hospital operator in Australia to report performance against quality and clinical outcome metrics publicly, just one part of our program to maintain and continually improve our high standards.



HERBERT  
SMITH  
FREEHILLS

## Implementation Deed

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Healthscope Limited

VIG Bidco Pty Ltd

BCP VIG Holdings L.P.

[rodd.levy@hsf.com](mailto:rodd.levy@hsf.com)



## Contents

### Table of contents

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	<b>Operative part</b>	<b>2</b>
<b>1</b>	<b>Definitions and interpretation</b>	<b>2</b>
	1.1 Definitions .....	2
	1.2 Interpretation .....	18
	1.3 Business Day .....	19
	1.4 Contra proferentem excluded .....	19
	1.5 Deed components .....	19
	1.6 Awareness .....	19
<b>2</b>	<b>Agreement to propose the Transactions</b>	<b>20</b>
	2.1 Overview .....	20
	2.2 Healthscope to propose Scheme .....	20
	2.3 Brookfield to make the Takeover Bid .....	20
	2.4 Despatch of documents .....	20
	2.5 Brookfield may nominate a Brookfield Related Party .....	21
	2.6 Healthscope Board recommendation .....	21
<b>3</b>	<b>Conditions</b>	<b>22</b>
	3.1 Scheme Conditions .....	22
	3.2 Best endeavours .....	24
	3.3 Waiver .....	25
	3.4 Certain notices in relation to Scheme Conditions and Takeover Bid Conditions ....	26
	3.5 Failure of a Scheme Condition or a Takeover Bid Condition .....	26
<b>4</b>	<b>Timing</b>	<b>27</b>
<b>5</b>	<b>Disclosure documents</b>	<b>28</b>
	5.1 Definitions .....	28
	5.2 Primary Party's obligations .....	28
	5.3 Secondary Party's obligations .....	29
	5.4 Recommendations .....	30
	5.5 Independent Expert's Report .....	30
	5.6 Responsibility statements .....	30
<b>6</b>	<b>Steps relevant to the Scheme</b>	<b>31</b>
	6.1 Scheme .....	31
	6.2 Scheme Consideration .....	31
	6.3 Healthscope's obligations .....	32
	6.4 Brookfield's obligations .....	34
	6.5 Obligations of both parties – certificate .....	35
	6.6 No amendment to Scheme without consent .....	35
	6.7 Excluded Brookfield Shareholders .....	35
<b>7</b>	<b>Facilitating the Takeover Bid</b>	<b>36</b>
	7.1 Promoting the Takeover Bid .....	36
	7.2 Independent Expert .....	36
	7.3 Share register .....	36



## Contents

7.4	ASX listing.....	36
<b>8</b>	<b>Provisions relevant to both Transactions</b>	<b>36</b>
8.1	Permitted Dividend.....	36
8.2	Conduct of business .....	37
8.3	Tax ruling .....	39
8.4	Assistance with property and financing arrangements .....	40
8.5	Assistance with regulatory relief .....	44
8.6	Post-transaction planning .....	44
8.7	Change of control provisions .....	45
8.8	Financing .....	46
8.9	Appointment of directors.....	47
8.10	Deeds of indemnity and insurance .....	48
8.11	Performance Rights .....	49
8.12	Transition Committee.....	49
<b>9</b>	<b>Representations and warranties</b>	<b>50</b>
9.1	Healthscope's representations and warranties.....	50
9.2	Healthscope's indemnity .....	50
9.3	Brookfield's representations and warranties.....	50
9.4	Brookfield's indemnity .....	50
9.5	Qualifications on Healthscope's representations, warranties and indemnities .....	51
9.6	Survival of representations .....	51
9.7	Survival of indemnities.....	51
9.8	Timing of warranties.....	51
<b>10</b>	<b>Releases</b>	<b>51</b>
10.1	Healthscope directors and officers .....	51
10.2	Brookfield directors and officers .....	52
<b>11</b>	<b>Public announcement</b>	<b>52</b>
<b>12</b>	<b>Confidentiality</b>	<b>52</b>
12.1	Confidentiality Deed .....	52
12.2	Survival of obligations .....	52
<b>13</b>	<b>Process Deed</b>	<b>53</b>
13.1	Termination .....	53
13.2	Survival .....	53
<b>14</b>	<b>Exclusivity</b>	<b>53</b>
14.1	No current discussions regarding a Competing Proposal .....	53
14.2	Enforcement of existing confidentiality agreements .....	53
14.3	No-shop .....	53
14.4	No-talk.....	53
14.5	No-due diligence .....	54
14.6	Limitation to no-talk and no-due diligence .....	54
14.7	Non-public information.....	54
14.8	Notification of approaches .....	55
14.9	Brookfield matching right .....	55
14.10	Exceptions .....	56



## Contents

<b>15</b>	<b>Break Fee</b>	<b>56</b>
	15.1 Background .....	56
	15.2 Payment by Healthscope .....	57
	15.3 Satisfaction of payment obligation .....	58
	15.4 Nature of payment .....	58
	15.5 Qualifications .....	58
	15.6 Other claims .....	59
	15.7 Exclusive remedy .....	60
<b>16</b>	<b>Reverse Break Fee</b>	<b>60</b>
	16.1 Background .....	60
	16.2 Payment by Brookfield to Healthscope .....	61
	16.3 Satisfaction of payment obligation .....	61
	16.4 Exclusive remedy .....	61
<b>17</b>	<b>Conduct of Court proceedings</b>	<b>61</b>
<b>18</b>	<b>Termination</b>	<b>62</b>
	18.1 Termination .....	62
	18.2 Effect of termination .....	63
	18.3 Remedies .....	64
<b>19</b>	<b>Duty, costs, expenses and withholding</b>	<b>64</b>
	19.1 Stamp duty .....	64
	19.2 Costs and expenses .....	64
	19.3 Withholding tax .....	64
<b>20</b>	<b>GST</b>	<b>65</b>
<b>21</b>	<b>General</b>	<b>66</b>
	21.1 No representation or reliance .....	66
	21.2 No merger .....	66
	21.3 Consents and approvals .....	66
	21.4 Notices .....	67
	21.5 Governing law and jurisdiction .....	67
	21.6 Waivers .....	67
	21.7 Variation .....	68
	21.8 Assignment .....	68
	21.9 Invalidity and enforceability .....	68
	21.10 Further action .....	68
	21.11 Entire agreement .....	68
	21.12 Counterparts .....	69
	<b>Schedule 1</b>	
	<b>Takeover Bid Terms</b>	<b>70</b>
	<b>Schedule 2</b>	
	<b>Healthscope Representations and Warranties</b>	<b>77</b>



## Contents

<b>Schedule 3</b>	
<b>Brookfield Representations and Warranties</b>	<b>79</b>
<b>Schedule 4</b>	
<b>Capital Reduction Resolution</b>	<b>84</b>
<b>Attachment A</b>	
<b>Scheme</b>	
<b>Attachment B</b>	
<b>Deed Poll</b>	
<b>Attachment C</b>	
<b>Shareholders' Deed Term Sheet</b>	

## Implementation Deed

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Date ► 1 February 2019

Between the parties

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Healthscope	<b>Healthscope Limited</b> ACN 144 840 639 of Level 1, 312 St Kilda Road, Melbourne Vic 3004, Australia (Healthscope)
Brookfield	<b>VIG Bidco Pty Ltd</b> ACN 631 014 938 of Level 22, 135 King Street, Sydney NSW 2000, Australia (Brookfield)
BCP	<b>BCP VIG Holdings L.P.</b> c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands (BCP)

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Recitals	<ol style="list-style-type: none"><li>1 Brookfield proposes to acquire all of the Healthscope Shares by way of:<ul style="list-style-type: none"><li>– a scheme of arrangement under Part 5.1 of the Corporations Act; or</li><li>– if the Scheme does not become Effective, a takeover bid under Chapter 6 of the Corporations Act.</li></ul></li><li>2 The parties have agreed to propose the Scheme and the Takeover Bid to Healthscope Shareholders on the terms and conditions set out in this deed.</li></ol>
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The parties agree	as set out in the operative part of this deed, in consideration of, among other things, the mutual promises contained in this deed.
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## Operative part

### 1 Definitions and interpretation

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#### 1.1 Definitions

Subject to clause 5.1, the meanings of the terms used in this deed are set out below.

Term	Meaning
<b>Acceptable Confidentiality Deed</b>	a confidentiality deed between Healthscope and the other relevant person that contains provisions that are customary for this type of deed and does not impose any obligations or restrictions that would prevent Healthscope from complying with its obligations under this deed.
<b>Acceptance Form</b>	the acceptance form that will be enclosed with the Bidder's Statement.
<b>Affiliate</b>	in respect of a person ( <b>Primary Person</b> ), a person: <ol style="list-style-type: none"> <li>1 Controlled directly or indirectly by the Primary Person;</li> <li>2 Controlling directly or indirectly the Primary Person;</li> <li>3 who is Controlled, directly or indirectly, by a person or persons who Control the Primary Person; or</li> <li>4 directly or indirectly under the common Control of the Primary Person and another person or persons.</li> </ol>
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>associate</b>	has the same meaning as in section 12 of the Corporations Act.
<b>ASX</b>	ASX Limited (ABN 98 008 624 691) and, where the context requires, the financial market that it operates.
<b>ATO</b>	the Australian Taxation Office.
<b>Bidder's Statement</b>	the bidder's statement of Brookfield in relation to the Takeover Bid.



Term	Meaning
<b>Break Fee</b>	an amount in cash in Australian dollars of \$43 million (exclusive of GST).
<b>Brookfield Counterproposal</b>	has the meaning given in clause 14.8.
<b>Brookfield Facility Agreement</b>	the debt facility agreements to be entered into pursuant to the Debt Commitment Letters.
<b>Brookfield Group</b>	Brookfield and each of its Affiliates and a reference to a "Brookfield Group Member" or "a member of the Brookfield Group" is to Brookfield or any of its Affiliates.
<b>Brookfield HoldCo</b>	VIG Topco Limited (ACN 631 014 965).
<b>Brookfield HoldCo Class A Share</b>	a "Class A" convertible ordinary share in the capital of Brookfield HoldCo issued on the terms set out in the Brookfield HoldCo Constitution.
<b>Brookfield HoldCo Class B Share</b>	a "Class B" convertible ordinary share in the capital of Brookfield HoldCo issued on the terms set out in the Brookfield HoldCo Constitution.
<b>Brookfield HoldCo Constitution</b>	the constitution of Brookfield HoldCo a summary of which is set out in the Shareholders' Deed Term Sheet or such other form as agreed in writing by the parties.
<b>Brookfield HoldCo Ordinary Shares</b>	the Brookfield HoldCo Class A Shares and Brookfield HoldCo Class B Shares and Brookfield HoldCo Ordinary Shares means any of them.
<b>Brookfield HoldCo Preference Shares</b>	a fully paid preference share in the capital of Brookfield HoldCo issued on the terms set out in the Shareholders' Deed Term Sheet.
<b>Brookfield HoldCo Securities</b>	Brookfield HoldCo Class B Shares and Brookfield HoldCo Preference Shares, as applicable.
<b>Brookfield Indemnified Parties</b>	Brookfield and its Affiliates and their respective directors, officers and employees.



Term	Meaning
<b>Brookfield Related Party</b>	any Affiliate of Brookfield Asset Management Inc.
<b>Brookfield Representations and Warranties</b>	the representations and warranties of Brookfield set out in Schedule 3.
<b>Business</b>	the business currently conducted by the Healthscope Group.
<b>Business Day</b>	a day on which trading banks are open for business in each of Melbourne, Victoria and Sydney, New South Wales (not being a Saturday, Sunday or public holiday in that place).
<b>Capital Reduction</b>	the reduction in the share capital of Healthscope by the Capital Reduction Aggregate Amount to be applied equally against each Healthscope Share on issue as at the Capital Reduction Record Date in accordance with the terms of the Capital Reduction Resolution.
<b>Capital Reduction Aggregate Amount</b>	the aggregate amount of the capital of Healthscope that is to be reduced in accordance with the Capital Reduction Resolution which is expected to be approximately \$1,292 million or such other amount as the parties agree (acting reasonably) in writing.
<b>Capital Reduction Implementation Date</b>	once the Offer is declared or becomes unconditional, the latest of: <ol style="list-style-type: none"><li>1 the first Business Day on which Brookfield pays the Takeover Bid Consideration under the Offer; and</li><li>2 the date that is 4 Business Days after the date on which the Capital Reduction Resolution is passed at the General Meeting or any Subsequent General Meeting (as applicable).</li></ol>
<b>Capital Reduction Record Date</b>	the date that is 3 Business Days after the date on which the Capital Reduction Resolution is passed at the General Meeting or any Subsequent General Meeting (as applicable) or such other date as the parties agree in writing.
<b>Capital Reduction Resolution</b>	the ordinary resolution concerning the Capital Reduction to be considered by Healthscope Shareholders at the General Meeting in the form (or substantially in the form) set out in Schedule 4.
<b>Commissioner of Taxation</b>	the Commissioner of Taxation of the ATO.

Term	Meaning
<b>Competing Proposal</b>	<p>an offer, proposal, agreement, arrangement or transaction, whether existing before, on or after the date of this deed, which, if entered into or completed, could mean that a person other than Brookfield or its Affiliates (either alone or with any associate thereof) would:</p> <ol style="list-style-type: none"> <li>1 directly or indirectly acquire Voting Power in, or have a right to acquire a legal, beneficial or economic interest in, or control of, 20% or more of the securities in any member of the Healthscope Group;</li> <li>2 acquire Control of any member of the Healthscope Group;</li> <li>3 directly or indirectly acquire or become the holder of, or otherwise acquire or have a right to acquire a legal, beneficial or economic interest in, or control of, all or substantially all or a material part of the business or assets of any member of the Healthscope Group;</li> <li>4 otherwise directly or indirectly acquire, be stapled with or merge with Healthscope; or</li> <li>5 require Brookfield to abandon, or otherwise fail to proceed with, the Transaction, <p>whether by way of a takeover bid, scheme of arrangement, shareholder approved acquisition, capital reduction, buy back, sale, lease or purchase of shares, other securities or assets, assignment of assets or liabilities, joint venture, dual listed company (or other synthetic merger), deed of company arrangements, any debt for equity arrangement or other transaction or arrangement.</p> </li></ol>
<b>Condition</b>	each of the Scheme Conditions and the Takeover Bid Conditions.
<b>Confidentiality Deed</b>	the confidentiality deed dated 12 November 2018 between Healthscope and Brookfield Capital (Australia) Pty Ltd as amended on the date of this deed.
<b>Control</b>	with respect to any person (other than an individual) the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person whether through the ownership of voting securities, by agreement or otherwise, and for the avoidance of doubt, a general partner is deemed to Control a limited partnership of which it is the general partner and, solely for the purposes of this deed, a fund advised or managed directly or indirectly by a person will also be deemed to be Controlled by such person, and, in respect of Brookfield, will also include any fund, account, client, limited partnership or other collective investment vehicle or other person which is managed or advised by Brookfield or an Affiliate of Brookfield.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).

Term	Meaning
<b>Corporations Regulations</b>	the <i>Corporations Regulations 2001</i> (Cth).
<b>Court</b>	the Supreme Court of Victoria or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Healthscope and Brookfield.
<b>Debt Commitment Letters</b>	the binding, credit-approved, executed commitment letters and accompanying term sheets from certain financial institutions and the Property Investors addressed to one or more Brookfield Group Members (and Healthscope in respect of the Target Facilities) (as amended or replaced in a manner not inconsistent with this deed).
<b>Deed Poll</b>	the deed poll to be entered into by Brookfield, Brookfield HoldCo and any Subsidiary appointed under clause 2.4 in favour of the Scheme Shareholders in the form set out in Attachment B or such other form as agreed in writing between the parties.
<b>Disclosure Letter</b>	the letter so entitled from Healthscope provided to Brookfield on the date of this deed.
<b>Dividend</b>	a dividend to be paid by Healthscope on the Dividend Payment Date to Healthscope Shareholders of the Dividend Per Share Amount for each Healthscope Share on issue as at the Dividend Record Date.
<b>Dividend Aggregate Amount</b>	the aggregate amount of the Dividend, which is expected to be approximately \$1,117 million or such other amount as the parties agree (acting reasonably) in writing.
<b>Dividend Payment Date</b>	the first Business Day on which Brookfield pays the Takeover Bid Consideration under the Offer.
<b>Dividend Per Share Amount</b>	the Dividend Aggregate Amount divided by the number of Healthscope Shares on issue at the Dividend Record Date.
<b>Dividend Record Date</b>	the date that is 4 Business Days after the Healthscope Board determines to pay the Dividend and publicly announces the dividend record date, or such other date as the parties agree in writing.
<b>Due Diligence</b>	the written information, documents and responses disclosed or

Term	Meaning
<b>Materials</b>	made available to Brookfield or its Representatives by Healthscope or its Representatives before 2.00pm on the date before the date of this deed in the virtual data room (an index of which has been initialled by the parties' lawyers for the purposes of identification before the execution of this deed).
<b>EBITDA</b>	the consolidated profit before income tax expense, net finance costs, depreciation and amortisation adjusted for certain income and expense items that are unrelated to the underlying performance of the business of Healthscope Group in accordance with Healthscope's Other Income and Expense Items policy as at the date of this deed. Unless otherwise agreed in writing, any provision of IFRS16 (or other GAAP changes having the relevant impact) which changes, or eliminates, the distinction between operating leases and finance leases, which applied before 1 January 2019 must be ignored.
<b>Effective</b>	when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to the Scheme.
<b>Effective Date</b>	the date on which the Scheme becomes Effective.
<b>Election</b>	has the meaning given in the Scheme.
<b>Election Form</b>	has the meaning given in the Scheme.
<b>End Date</b>	31 October 2019.
<b>Equity Commitment Letter</b>	the binding, executed commitment letter dated on or about the date of this deed addressed to one or more Brookfield Group Members and Healthscope.
<b>Fairly Disclosed</b>	in relation to a matter means disclosed in sufficient detail and context to enable a reasonable and sophisticated person experienced in transactions similar to the Transactions to identify the nature and scope of the relevant matter.
<b>First Court Date</b>	the first day on which an application made to the Court for an order under section 411(1) of the Corporations Act convening the Scheme Meeting is heard.

Term	Meaning
<b>General Meeting</b>	the general meeting of Healthscope Shareholders convened to consider the Capital Reduction Resolution.
<b>Government Agency</b>	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state (or any comparable or similar position held in any foreign country).
<b>Government Official</b>	whether in Australia or elsewhere: <ol style="list-style-type: none"> <li>1 an officer, agent or employee of a government, government-owned enterprise (or any agency, department or instrumentality thereof), political party or public international organisation;</li> <li>2 a candidate for government or political office; or</li> <li>3 an agent, officer, or employee of any entity owned by a government.</li> </ol>
<b>Healthscope Board</b>	the board of directors of Healthscope and <b>Healthscope Board Member</b> means any director of Healthscope.
<b>Healthscope Consolidated Tax Group</b>	the Consolidated Group of which Healthscope is the head company (as defined for the purposes of the Tax Act).
<b>Healthscope Group</b>	Healthscope and each of its Subsidiaries and a reference to a "Healthscope Group Member" or a "member of the Healthscope Group" is to Healthscope or any of its Subsidiaries.
<b>Healthscope Indemnified Parties</b>	Healthscope and its Subsidiaries and their respective directors, officers and employees.
<b>Healthscope Representations and Warranties</b>	the representations and warranties of Healthscope set out in Schedule 2.
<b>Healthscope Share</b>	a fully paid ordinary share of Healthscope.
<b>Healthscope Shareholder</b>	each person who is registered as the holder of a Healthscope Share from time to time.



Term	Meaning
<b>Implementation Date</b>	the fifth Business Day after the Scheme Record Date or such other date after the Scheme Record Date as the parties agree in writing.
<b>Independent Expert</b>	the independent expert appointed by Healthscope in respect of the Transactions.
<b>Independent Expert's Report</b>	<p>the report from the Independent Expert for inclusion in the Scheme Booklet or Target's Statement, including any update or supplementary report, stating an opinion whether or not:</p> <ol style="list-style-type: none"><li>1 the Scheme is in the best interests of Healthscope Shareholders and setting out its reasons for that opinion;</li><li>2 the Takeover Bid is fair and reasonable and setting out its reasons for that opinion; and</li><li>3 the Property Transaction does not confer on NWH Australia AssetCo Pty Ltd ACN 617 449 948 as trustee of the NWH Australia Asset Trust a net benefit for the purposes of the Takeovers Panel's Guidance Note 21: <i>Collateral Benefits</i>.</li></ol>
<b>Ineligible Foreign Shareholder</b>	a Scheme Shareholder whose address in the Share Register as at the Scheme Record Date is a place outside Australia or New Zealand unless Brookfield and Healthscope agree in writing that it is lawful and not unduly onerous or impractical to issue Brookfield HoldCo Shares to that Scheme Shareholder if the Scheme Shareholder so elects under this Scheme.
<b>Insolvency Event</b>	<p>in relation to an entity:</p> <ol style="list-style-type: none"><li>1 the entity resolving that it be wound up or a court making an order for the winding up or dissolution of the entity;</li><li>2 a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other insolvency official being appointed to the entity or in relation to the whole, or a substantial part, of its assets;</li><li>3 the entity being subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved or the entity executing a deed of company arrangement;</li><li>4 the entity ceases, or threatens to cease to, carry on substantially all the business conducted by it as at the date of this deed;</li><li>5 the entity is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act (or, if appropriate, legislation of its place of incorporation); or</li><li>6 the entity being deregistered as a company or otherwise dissolved;</li><li>7 an application or order having been made (other than where the</li></ol>

Term	Meaning
	<p>application or order (as the case may be) is set aside within 14 days), resolution passed, or any other action having been taken, in each case in connection with that entity, in respect of any of the things described in paragraphs 1 to 6;</p> <p>8 the entity is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;</p> <p>9 the entity is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this document reasonably deduces it is so subject); or</p> <p>10 something having a substantially similar effect to any of the things described in paragraphs 1 to 9 happens in connection with that person under the law of any foreign jurisdiction.</p>
<b>Listing Rules</b>	the official listing rules of the ASX.
<b>Matching Date</b>	the date that is 5 Business Days after the date of the provision of the information referred to in clause 14.9(a)(4).
<b>Material Adverse Change</b>	<p>any matter, event or circumstance that occurs after the date of this deed, or occurs before the date of this deed but is only announced or publicly disclosed after the date of this deed, which has resulted in, or is reasonably likely to result in, either individually or when aggregated with any other event, occurrence or matter:</p> <p>1 a diminution in the consolidated net assets of the Healthscope Group (relative to the consolidated net assets at 31 December 2018) by at least \$235 million; or</p> <p>2 EBITDA being reduced (relative to the EBITDA for the 12 months ending 31 December 2018) by at least \$40 million in the Healthscope Group's financial years ending 30 June 2019 and/or 30 June 2020 (and for this purpose, the full financial year effect of any resulting EBITDA reduction must be applied in the relevant periods),</p> <p>determined after taking into account any matters which offset the impact of the matter, event or circumstance giving rise to the adverse effect and, in each case, disregarding any such matter, event or circumstance:</p> <p>3 required to be done or procured by Healthscope, or expressly permitted, under this deed or the Scheme or the transactions contemplated by either, the Property Transaction, the Capital Reduction, the Dividend, the Target Facilities and including any consequences reasonably foreseeable as a result of such matters;</p> <p>4 which Brookfield has previously approved or requested in writing, including any consequences reasonably foreseeable as a result of such matters;</p> <p>5 Fairly Disclosed in the Due Diligence Materials or the</p>

Term	Meaning
	<p>Disclosure Letter;</p> <p>6 Fairly Disclosed in documents that were publicly available from public filings of Healthscope with ASX or ASIC prior to the date of this deed;</p> <p>7 relating to third party costs and expenses incurred by Healthscope associated with the Transactions or the Property Transactions, including all fees payable to external advisers of Healthscope, to the extent such amounts or comparable estimates of such amounts are Fairly Disclosed in the Due Diligence Materials or the Disclosure Letter;</p> <p>8 resulting from changes in generally accepted accounting principles or standards, or the interpretation of any of them;</p> <p>9 any outbreak or escalation of war or major hostilities, act of terrorism, an act of God, lightning, storm, flood, fire, earthquake or explosion, cyclone, tidal wave, landslide, or adverse weather conditions; or</p> <p>10 comprising or resulting from any change in general economic or business conditions in the markets and jurisdictions in which Healthscope operates, or any change in law, regulation or policy.</p>
<b>Maximum Share Number</b>	1,750,152,636 Healthscope Shares.
<b>Offer</b>	has the meaning given in clause 2.3(a).
<b>Offer Period</b>	the period that the Offer is open for acceptance.
<b>Performance Right</b>	a right existing at the date of this deed issued under an employee incentive plan which confers on the holder a right to acquire a Healthscope Share.
<b>Permitted Dividend</b>	the dividend permitted to be paid in accordance with clause 8.1.
<b>Prescribed Occurrence</b>	<p>other than:</p> <p>1 as expressly required or permitted by this deed or the Transactions;</p> <p>2 as publicly Fairly Disclosed by Healthscope to ASX prior to the date of this deed;</p> <p>3 as Fairly Disclosed in the Due Diligence Materials or the Disclosure Letter; or</p> <p>4 with the written consent of Brookfield,</p>

Term	Meaning
	the occurrence of any of the following:
5	Healthscope converting all or any of its shares into a larger or smaller number of shares;
6	Healthscope resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares (other than the Capital Reduction Resolution);
7	Healthscope: <ul style="list-style-type: none"> <li>– entering into a buy-back agreement; or</li> <li>– resolving to approve the terms of a buy-back agreement under the Corporations Act;</li> </ul>
8	a member of the Healthscope Group issuing shares, or granting a performance right or an option over its shares, or agreeing to make such an issue or grant such a right or an option other than: <ul style="list-style-type: none"> <li>– on vesting or exercise of, or in respect of, a Performance Right existing as at the date of this deed; or</li> <li>– where the shares or options are issued, or agreed to be issued, by a Healthscope Group Member (other than Healthscope) to Healthscope or a Related Body Corporate of Healthscope,</li> </ul> <p>provided that the total number of Healthscope Shares on the Scheme Record Date and the Implementation Date does not exceed the Maximum Share Number;</p>
9	a member of the Healthscope Group issuing, or agreeing to issue, securities convertible into shares (including performance rights and options) or debt securities other than where the securities are issued, or agreed to be issued, by a Healthscope Group Member (other than Healthscope) to Healthscope or a Subsidiary of Healthscope, provided that the total number of Healthscope Shares on the Scheme Record Date and the Implementation Date does not exceed the Maximum Share Number;
10	Healthscope declaring, paying or distributing any dividend, bonus or other share of its profits or assets, other than the Permitted Dividend and the Dividend;
11	a member of the Healthscope Group disposing, or agreeing to dispose, of the whole, or a substantial part, of the Healthscope Group's business or property;
12	a member of the Healthscope Group granting a security interest, or agreeing to grant a security interest, the whole, or a substantial part, of its business or property;
13	a member of the Healthscope Group making any change to its constitution;
14	a member of the Healthscope Group resolving that it be wound up;
15	a liquidator or provisional liquidator of a member of the

Term	Meaning
	<p>Healthscope Group being appointed;</p> <p>16 a court making an order for the winding up of a member of the Healthscope Group;</p> <p>17 an administrator of a member of the Healthscope Group being appointed under the Corporations Act;</p> <p>18 a member of the Healthscope Group executing a deed of company arrangement; or</p> <p>19 a receiver, or a receiver and manager, being appointed in relation to the whole, or a substantial part, of any member of the Healthscope Group.</p>
<b>Process Deed</b>	the process deed dated 12 November 2018 between Healthscope and Brookfield Capital Partners Ltd (as amended).
<b>Property Investors</b>	<p>1 NWH Australia AssetCo Pty Ltd ACN 617 449 948 as trustee of the NWH Australia Asset Trust; and</p> <p>2 MPT Operating Partnership, L.P.</p>
<b>Property Transaction</b>	the transactions contemplated by the Property Transaction Documents or Replacement Property Transaction Documents.
<b>Property Transaction Documents</b>	each commitment deed between Healthscope and the relevant Property Investor in a form agreed between Healthscope and Brookfield to be entered into on or around the date of this deed, and, on and from the date when it comes into effect, each document entered under or in accordance with each commitment deed.
<b>Property Trust Proposal</b>	the proposed establishment of a new unlisted property trust which will hold the majority of Healthscope's freehold hospital property assets and lease them back to Healthscope, with a new co-investor to hold an interest of up to 49% in the trust, as announced by Healthscope to ASX on 21 August 2018.
<b>Register Date</b>	the date and time identified as the "Register Date" in the Timetable, which will be the relevant date and time that will be set by Brookfield for the purposes of section 633(2) of the Corporations Act.
<b>Registered Address</b>	in relation to a Healthscope Shareholder, the address shown in the Share Register.

Term	Meaning
<b>Regulatory Approval</b>	an approval or consent specified in a Regulatory Condition.
<b>Regulatory Conditions</b>	the Conditions set out in: <ul style="list-style-type: none"> <li>1 clauses 3.1(a) and 3.1(c); and</li> <li>2 clauses 1.7(a) and 1.7(c) of Schedule 1.</li> </ul>
<b>Related Bodies Corporate</b>	has the meaning set out in the Corporations Act.
<b>Relevant Interest</b>	has the meaning given in sections 608 and 609 of the Corporations Act.
<b>Replacement Property Transaction Documents</b>	has the meaning given in clause 8.4(c)(2).
<b>Representative</b>	in respect of a party, its Related Bodies Corporate and each director, officer, employee, advisor, agent or representative of that party and its Related Bodies Corporate.
<b>Requesting Party</b>	has the meaning given in clause 8.8.
<b>Restricted Period</b>	the period from and including the date of this deed to the earlier of: <ul style="list-style-type: none"> <li>1 the termination of this deed; and</li> <li>2 the End Date.</li> </ul>
<b>Reverse Break Fee</b>	an amount in cash in Australian dollars of either: <ul style="list-style-type: none"> <li>1 \$50 million (exclusive of GST) if this deed is terminated in accordance with clause 3.5(b) following the failure to satisfy or waive either the Scheme Condition in clause 3.1(b) (FIRB Approval (Property Transaction)) or the Takeover Bid Condition in clause 1.7(b) of Schedule 1 of this deed (FIRB Approval (Property Transaction)) by the End Date; or</li> <li>2 \$129 million (exclusive of GST) in all other cases.</li> </ul>
<b>RG 60</b>	Regulatory Guide 60 issued by ASIC in September 2011.
<b>Rights</b>	all rights or benefits of whatever kind attaching or arising from

Term	Meaning
	<p>Healthscope Shares directly or indirectly after the date of this deed, including, but not limited to, all dividends or other distributions (including the Dividend and Capital Reduction), other than:</p> <ol style="list-style-type: none"> <li>1 voting rights attaching to Healthscope Shares during the period expiring at the end of the Scheme Meeting on the day after the date on which all of the Takeover Bid Conditions have been satisfied or waived;</li> <li>2 the Permitted Dividend, and any franking credits attaching to any Permitted Dividend, which is paid prior to the date on which all of the Takeover Bid Conditions have been satisfied or waived; and</li> <li>3 any franking credits attaching to the Dividend.</li> </ol>
<b>Scheme</b>	the scheme of arrangement under Part 5.1 of the Corporations Act between Healthscope and the Scheme Shareholders, the form of which is attached as Attachment A or such other form as agreed in writing between the parties.
<b>Scheme Booklet</b>	the information described in clause 5.2(a) to be approved by the Court and despatched to the Healthscope Shareholders and which must include the Scheme, an explanatory statement, an independent expert's report, notices of meeting for the Scheme Meeting and the General Meeting, the Election Form and proxy forms.
<b>Scheme Cash Consideration</b>	\$2.465 cash for each Scheme Share held by a Scheme Shareholder.
<b>Scheme Condition</b>	any condition precedent to the Scheme set out in clause 3.1.
<b>Scheme Consideration</b>	<p>the consideration to be provided to each Scheme Shareholder for the transfer to Brookfield of each Scheme Share, being for each Healthscope Share held by a Scheme Shareholder as at the Scheme Record Date being either:</p> <ol style="list-style-type: none"> <li>1 the Scheme Cash Consideration; or</li> <li>2 the Scheme Security Consideration.</li> </ol>
<b>Scheme Meeting</b>	the meeting of Healthscope Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act.
<b>Scheme Record Date</b>	5.00pm (Melbourne time) on the fifth Business Day after the Effective Date or such other time and date as the parties agree in writing.

Term	Meaning
<b>Scheme Security Consideration</b>	<p>1 the Brookfield HoldCo Class B Shares; and</p> <p>2 the Brookfield HoldCo Preference Shares</p> <p>and, for the avoidance of doubt, will only be received by those Scheme Shareholders that elect to receive the Scheme Security Consideration in accordance with the Scheme, provided certain conditions are satisfied.</p>
<b>Scheme Security Consideration Documents</b>	<p>1 the Shareholders' Deed; and</p> <p>2 the Brookfield HoldCo Constitution.</p>
<b>Scheme Share</b>	a Healthscope Share held by a Scheme Shareholder.
<b>Scheme Shareholder</b>	a Healthscope Shareholder as at the Scheme Record Date.
<b>Scheme Transaction</b>	the acquisition of Healthscope by Brookfield through implementation of the Scheme.
<b>Second Court Date</b>	the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard, or if the application is adjourned for any reason, the first day on which the adjourned application is heard.
<b>Security Interest</b>	has the meaning given in section 51A of the Corporations Act.
<b>Share Register</b>	the register of members of Healthscope maintained in accordance with the Corporations Act.
<b>Shareholders' Deed</b>	the Shareholders' Deed in relation to Brookfield HoldCo on substantially those terms set out in the Shareholders' Deed Term Sheet or such other form as agreed in writing by the parties.
<b>Shareholders' Deed Term Sheet</b>	the term sheet attached as Attachment C.
<b>Subsequent General Meeting</b>	the second general meeting of Healthscope Shareholders convened to consider the Capital Reduction Resolution to the extent such resolutions are not approved at the General Meeting.



Term	Meaning
<b>Subsidiary</b>	has the meaning set out in the Corporations Act.
<b>Superior Proposal</b>	<p>a bona fide Competing Proposal which the Healthscope Board, acting in good faith in the interests of Healthscope and its shareholders, and after taking advice from its legal and financial advisers, determines:</p> <ol style="list-style-type: none"><li>1 is reasonably capable of being completed taking into account all aspects of the Competing Proposal, including its conditions, the identity, reputation and financial condition of the person making such proposal, and all relevant legal, regulatory and financial matters; and</li><li>2 would be more favourable to Healthscope Shareholders than the Transactions, taking into account all aspects of the Competing Proposal and the Transactions, including the identity, reputation and financial condition of the person making such proposal, legal, regulatory and financial matters, certainty and likely timing required to implement or complete the Competing Proposal and the Transactions, the Break Fee (if payable) and any other matters affecting the probability of the relevant Competing Proposal and the Transactions being completed in accordance with its terms.</li></ol>
<b>Takeover Bid</b>	a takeover bid by Brookfield for the Healthscope Shares that satisfies the requirements in clause 2.3.
<b>Takeover Bid Conditions</b>	the conditions to the Takeover Bid set out in clause 1.7 of Schedule 1.
<b>Takeover Bid Consideration</b>	\$2.365 cash for each Healthscope Share less the value of any Rights that are deducted in accordance with clause 1.1(b) of the Takeover Bid Terms.
<b>Takeover Bid Terms</b>	the terms and conditions set out in Schedule 1.
<b>Takeover Bid Transaction</b>	the acquisition of Healthscope Shares by Brookfield under the Takeover Bid.
<b>Target Facilities</b>	facilities to be provided by certain financial institutions to Healthscope Limited (or a wholly owned subsidiary thereof) for the purposes of, among other things, financing the repayment of certain debt of the Healthscope Group and the payment of a distribution to Healthscope Shareholders.

Term	Meaning
<b>Target's Statement</b>	the target's statement that will be issued by Healthscope in relation to the Takeover Bid.
<b>Tax Act</b>	the <i>Income Tax Assessment Act 1936</i> (Cth) or the <i>Income Tax Assessment Act 1997</i> (Cth), or both as the context requires.
<b>Timetable</b>	the indicative timetable for the implementation of the Transaction agreed between Brookfield and Healthscope before the date of this deed.
<b>Transactions</b>	the Scheme Transaction and the Takeover Bid Transaction.
<b>Transition Committee</b>	has the meaning given in clause 8.12.
<b>Voting Power</b>	the meaning it is given in section 610 of the Corporations Act.

## 1.2 Interpretation

In this deed, headings and labels used for definitions are for convenience only and do not affect interpretation and, unless the context requires otherwise:

- (a) words importing the singular include the plural and vice versa;
- (b) words importing a gender include any gender;
- (c) other parts of speech and grammatical forms of a word or phrase defined in this deed have a corresponding meaning;
- (d) a reference to a person includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture, a partnership, a trust and any Government Agency;
- (e) a reference to a clause, party, attachment, exhibit or schedule is a reference to a clause of, and a party, attachment, exhibit and schedule to this deed, and a reference to this deed includes any Attachment, exhibit and schedule;
- (f) a reference to a statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances, instruments or by laws amending, consolidating, modifying or replacing it, whether passed by the same or another Government Agency with legal power to do so, and a reference to a statute includes all regulations, proclamations, ordinances, instruments and by laws issued under that statute;
- (g) a reference to any document (including this deed) is to that document as varied, novated, ratified or replaced from time to time;



- (h) any agreement, representation, warranty or indemnity by two or more parties (including where two or more persons are included in the same defined term) binds them jointly and severally;
- (i) the word “includes” in any form is not a word of limitation;
- (j) a reference to “\$” or “dollar” is to Australian currency;
- (k) a reference to any time is, unless otherwise indicated, a reference to Melbourne time;
- (l) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (m) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (n) if an act prescribed under this deed to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day;
- (o) a term defined in or for the purposes of the Corporations Act has the same meaning when used in this deed;
- (p) a reference to the Listing Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party;
- (q) a reference to a general meeting of Healthscope Shareholders (including the General Meeting and any Subsequent General Meeting) includes any subsequent reconvened meeting following the postponement or adjournment of that general meeting in accordance with Healthscope’s constitution; and
- (r) a Takeover Bid Condition will be taken to “correspond” to a Scheme Condition for the purposes of this deed if the Takeover Bid Condition and the Scheme Condition are expressed on substantially the same terms disregarding any references in the respective Conditions to the date and time by, or the period of time during, which the Conditions must be satisfied.

### **1.3 Business Day**

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

### **1.4 Contra proferentem excluded**

No term or condition of this deed will be construed adversely to a party solely on the ground that the party was responsible for the preparation of this deed or a provision of it (or has the benefit of a provision).

### **1.5 Deed components**

This deed includes any schedule and attachment.

### **1.6 Awareness**

Where a representation or warranty is given ‘so far as Healthscope is aware’ or with a similar qualification as to Healthscope’s awareness or knowledge, Healthscope’s awareness or knowledge is limited to and deemed to only include those facts, matters or circumstances of which Gordon Ballantyne, Michael Sammells, Mark Briscoe, Anoop Singh, Ingrid Player, Victoria Atkinson, Bronte Kumm, Arthur Yannakou, Stephen

Gameren, David Allison, Matthew Malone or James Piplios are actually aware as at the date of this deed.

## 2 Agreement to propose the Transactions

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### 2.1 Overview

On and subject to the terms of the deed:

- (a) Brookfield proposes to acquire all the Healthscope Shares under the Scheme pursuant to which Healthscope Shareholders will be able to receive as consideration \$2.465 cash per Healthscope Share or, if they elect and subject to certain conditions, shares in Brookfield HoldCo; and
- (b) simultaneously, Brookfield will make the Takeover Bid for all of the Healthscope Shares at \$2.365 per share, which will be conditional, amongst other matters, on the Scheme not becoming Effective.

### 2.2 Healthscope to propose Scheme

- (a) Healthscope agrees to propose the Scheme on and subject to the terms of this deed.
- (b) Brookfield agrees to assist Healthscope to propose the Scheme and, if the Scheme becomes Effective, to acquire all the Healthscope Shares in exchange for payment of the relevant consideration, on and subject to the terms of this deed.

### 2.3 Brookfield to make the Takeover Bid

Brookfield agrees to:

- (a) make offers pursuant to an off-market takeover bid under Chapter 6 of the Corporations Act to acquire all the Healthscope Shares on terms and conditions no less favourable to Healthscope Shareholders than the Takeover Bid Terms (together, the **Offers** and each, an **Offer**); and
- (b) without limiting this clause 2.3, publicly announce on the date of this deed a proposal to make the Takeover Bid constituted by the despatch of the Offers.

### 2.4 Despatch of documents

- (a) Provided that a Superior Proposal has not been received by Healthscope or publicly announced in the interim, each party agrees to use reasonable endeavours to mail as one document pack the Scheme Booklet, Bidder's Statement and Target's Statement to the Healthscope Shareholders together in accordance with the Timetable.
- (b) Healthscope agrees that, and the Healthscope Board has consented to, the Offers and accompanying documents to be sent by Brookfield under the Takeover Bid under item 6 of section 633(1) of the Corporations Act may be sent to the Healthscope Shareholders where the documents are mailed as one document pack as contemplated by this clause 2.4.

## 2.5 Brookfield may nominate a Brookfield Related Party

- (a) Brookfield may nominate, under this clause 2.5, a Brookfield Related Party (which may be separate entities for the Scheme and the Takeover Bid) to perform its obligations under clauses 2.1, 2.2(b) or 2.3 by giving written notice to Healthscope of that relevant Brookfield Related Party no later than 5 Business Days prior to the date on which Healthscope intends to provide an advanced draft of the Scheme Booklet to ASIC for its review (as notified in writing to Brookfield).
- (b) If, pursuant to clause 2.5(a), Brookfield nominates a Brookfield Related Party to perform its obligations, on and from the date of nomination, this deed is taken to be varied by replacing "Brookfield" each time it appears in clauses 2.1, 2.2(b) or 2.3 (as applicable) with the name of that Brookfield Related Party.
- (c) Brookfield warrants that if, pursuant to clause 2.5(a), it nominates a Brookfield Related Party to perform its obligations:
  - (1) Brookfield and the Brookfield Related Party will both enter into the Deed Poll;
  - (2) Brookfield will continue to be bound by this deed as if it was still the acquiring entity;
  - (3) in the case of the Scheme, Brookfield will ensure that the Brookfield Related Party completes the acquisition in accordance with this deed and the Deed Poll; and
  - (4) in the case of the Takeover Bid, Brookfield will ensure that the Brookfield Related Party completes the acquisition in accordance with this deed and the Takeover Bid Terms.
- (d) Brookfield unconditionally and irrevocably:
  - (1) guarantees to Healthscope the due and punctual performance by:
    - (A) any Brookfield Related Party nominated under clause 2.5(a) of the Brookfield Related Party's obligations under this deed, the Deed Poll and the Corporations Act; and
    - (B) Brookfield HoldCo of its obligations under this deed, the Deed Poll and the Corporations Act; and
  - (2) indemnifies Healthscope, on demand, against all losses incurred by Healthscope arising from any default or delay in the performance of such obligations.
- (e) The obligation of Brookfield under clause 2.5(d) is a principal and continuing obligation and remains in full force and effect until all obligations of the relevant Brookfield Related Party have been fully discharged.
- (f) The liability of Brookfield under clause 2.5(d) is not affected by anything which, but for this clause 2.5(f), might operate to release or exonerate Brookfield in whole or in part from its obligations.

## 2.6 Healthscope Board recommendation

- (a) Healthscope must use its best endeavours to procure that each Healthscope Board Member:
  - (1) recommends to Healthscope Shareholders that they vote in favour of the resolution to approve the Scheme and elect to receive the Scheme Cash Consideration; and

- (2) announces their intention to cause any Healthscope Shares in which they have a Relevant Interest to be voted in favour of the resolution to approve the Scheme,
- and does not change or withdraw their recommendation or intention, in each case, subject to:
- (3) the Independent Expert concluding and continuing to conclude that the Scheme is in the best interests of Healthscope Shareholders;
  - (4) there being no Superior Proposal; and
  - (5) the Healthscope Board not determining, after receiving written legal advice from its external legal advisers, that the Healthscope Board, by virtue of the directors' duties of the Healthscope Board Members, is required to change, withdraw or modify its recommendation.
- (b) Healthscope must use its best endeavours to procure that each Healthscope Board Member:
- (1) recommends that Healthscope Shareholders accept the Offer to be made to them under the Takeover Bid;
  - (2) recommends to Healthscope Shareholders that they vote in favour of the Capital Reduction Resolution; and
  - (3) announces their intention to cause any Healthscope Shares in which they have a Relevant Interest to be accepted into the Offer and be voted in favour of the resolution to approve the Capital Reduction Resolution,
- and does not change or withdraw their recommendation or intention, in each case, subject to:
- (4) the Independent Expert concluding and continuing to conclude that the Takeover Bid is fair and reasonable;
  - (5) there being no Superior Proposal; and
  - (6) the Healthscope Board not determining, after receiving written legal advice from its external legal advisers, that the Healthscope Board, by virtue of the directors' duties of the Healthscope Board Members, is required to change, withdraw or modify its recommendation.
- (c) A Healthscope Board Member will not be regarded, for the purposes of any provision of this deed, as having failed to make, or changed, withdrawn or modified, a recommendation in favour of the Scheme or the Takeover Bid, if a director recommends that Healthscope Shareholders elect to receive the Scheme Cash Consideration and makes no recommendation in relation to the Scheme Security Consideration.

## 3 Conditions

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### 3.1 Scheme Conditions

Subject to this clause 3.1, the Scheme will not become Effective, and the obligations of Brookfield under clause 6.2 are not binding, until each of the following conditions precedent are satisfied or waived.

- (a) **FIRB Approval (Scheme):** before 8.00am on the Second Court Date, one of the following has occurred:
- (1) Brookfield has received written notice under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (**FATA**), by or on behalf of the Treasurer of the Commonwealth of Australia (**Treasurer**), advising that the Commonwealth Government has no objections to the Scheme, either unconditionally or on conditions that Brookfield reasonably considers to be acceptable; or
  - (2) the Treasurer becomes precluded by passage of time from making an order in relation to the Scheme under the FATA and the Scheme is not prohibited by section 82 of the FATA; or
  - (3) where an interim order is made under the FATA in respect of the Scheme, the subsequent period for making a final order prohibiting the Scheme elapses without a final order being made;
- (b) **FIRB Approval (Property Transaction):** in the case of each of NWH Australia AssetCo Pty Ltd ACN 617 449 948 as trustee of the NWH Australia Asset Trust and MPT Operating Partnership, L.P., and provided that the relevant Property Transaction Documents between Healthscope and such person (or an Affiliate of such person) has not been terminated, before 8.00am on the Second Court Date, one of the following has occurred:
- (1) in respect of the relevant Property Investor's application for approval under the FATA, the day that is 10 days after the end of the decision period specified in section 77 of FATA passes without an order prohibiting the acquisition of the properties by the buyer under the applicable Property Transaction Documents having been made under section 67 or section 68 of the FATA; or
  - (2) if an interim order is made under section 68 of the FATA in respect of the relevant Property Investor's application for approval under the FATA, the end of the period specified in the order passes without an order prohibiting the acquisition of the properties by the buyer under the applicable Property Transaction Documents under section 67 of FATA having been made; or
  - (3) a no objection notification is given by the Treasurer (or the Treasurer's delegate) under Division 3, Subdivision B of the FATA in respect of the acquisition of the properties by the Buyer under the applicable Property Transaction Documents, with such notification being unconditional or subject only to conditions which are acceptable to the relevant Property Investor acting reasonably;
- (c) **OIO:** Brookfield has received all consents required under the *Overseas Investment Act 2005* (NZ) and the *Overseas Investment Regulations 2005* (NZ) for the implementation of the Scheme either unconditionally or on conditions that Brookfield reasonably considers to be acceptable and such consents have not been withdrawn, suspended or revoked before 8.00am on the Second Court Date;
- (d) **Shareholder Approval (Scheme):** Healthscope Shareholders agree to the Scheme at the Scheme Meeting by the requisite majorities under the Corporations Act;
- (e) **Court Approval:** the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act;
- (f) **No Prescribed Occurrence:** no Prescribed Occurrence occurs between (and including) the date of this deed and 8.00am on the Second Court Date;



- (g) **Restraints:** no restraining order, injunction or other order that would prevent or delay the Scheme made by a court of competent jurisdiction or Government Agency in Australia or New Zealand on the application of a Government Agency in one of those jurisdictions is in effect at 8.00am on the Second Court Date;
- (h) **Scheme Security Consideration Documents:** before the First Court Date, each of the Scheme Security Consideration Documents, is duly executed or adopted (as applicable);
- (i) **No Material Adverse Change:** no Material Adverse Change occurs, or is reasonably likely to occur, or is discovered, announced, disclosed or otherwise becomes known to Brookfield between (and including) the date of this deed and 8.00am on the Second Court Date;
- (j) **Healthscope Representations and Warranties:** the Healthscope Representations and Warranties are accurate and not misleading at all times between (and including) the date of this deed and 8.00am on the Second Court Date; and
- (k) **Brookfield Representations and Warranties:** the Brookfield Representations and Warranties are accurate and not misleading at all times between (and including) the date of this deed and 8.00am on the Second Court Date.

### 3.2 Best endeavours

- (a) Each party must, to the extent it is within their power to do so, use its best endeavours to procure that:
  - (1) the Scheme Conditions and the Takeover Bid Conditions are satisfied as soon as practicable after the date of this deed and remain satisfied; and
  - (2) there is no occurrence within its control or the control of any of its Subsidiaries or Affiliates that would prevent any of those Conditions being satisfied or remaining satisfied.
- (b) Healthscope will not be in breach of its obligations in clause 3.2(a) to the extent that it takes an action or omits to take an action:
  - (1) as expressly required, permitted or permitted not to be done under or in accordance with this deed;
  - (2) in response to a Competing Proposal as permitted by clause 14;
  - (3) which has been publicly disclosed to ASX prior to the date of this deed; or
  - (4) which has been consented to in writing by Brookfield (such consent not to be unreasonably withheld or delayed).
- (c) Without limiting this clause 3.2, Brookfield must:
  - (1) promptly apply for each Regulatory Approval and provide to Healthscope a copy of all those applications (provided that any commercially sensitive information may be redacted from the copy provided);
  - (2) take all steps reasonably required under each Regulatory Approval process, including responding to requests for information at the earliest practicable time;
  - (3) keep Healthscope reasonably informed of the progress in relation to obtaining each Regulatory Approval, including any matters raised or

- conditions or other arrangements proposed by the relevant Government Agency;
- (4) promptly offer, agree or accept any:
    - (A) conditions or undertakings expressly contemplated by Attachment B to Guidance Note 47 issued by the Foreign Investment Review Board (Tax Conditions);
    - (B) conditions imposed by the Overseas Investment Office (**OIO**) that are substantially the same as the conditions of a kind commonly imposed by the OIO on such a consent and referred to as the "Standard Conditions" or conditions that reflect undertakings specified in Brookfield's OIO application; and
    - (C) any other conditions or undertakings that have been agreed by the parties prior to the date of this deed;
  - (5) take all the steps for which it is responsible as part of the process of applying for approval under the FATA, including responding to requests for information at the earliest practicable time;
  - (6) if requested in writing, provide Healthscope with copies of all material written communications sent to or received from a Government Agency in relation to seeking and/or obtaining satisfaction of the Condition in clause 3.1(a) (which may redact any commercially sensitive information regarding Brookfield or its indirect owners); and
  - (7) in connection with the Condition in clause 3.1(b), procure that the Property Investors:
    - (A) use reasonable endeavours to procure that that Condition is satisfied as soon as practicable after the date of this deed and remains satisfied; and
    - (B) comply with their obligations in relation to obtaining FIRB approval as set out in the Property Transaction Documents.

### 3.3 Waiver

- (a) The Scheme Conditions in clauses 3.1(a) (FIRB Approval (Scheme)), 3.1(c) (OIO Approval), 3.1(d) (Shareholder Approval), 3.1(e) (Court Approval) and 3.1(h) (Scheme Security Consideration Documents) cannot be waived.
- (b) The Scheme Conditions in clauses 3.1(b) (FIRB Approval (Property Transaction)), 3.1(f) (No Prescribed Occurrence), 3.1(i) (No Material Adverse Change), and 3.1(j) (Healthscope Representations and Warranties) are for the sole and exclusive benefit of Brookfield and may only be waived by Brookfield (in its absolute discretion) in writing.
- (c) The Scheme Condition in clause 3.1(k) (Brookfield Representations and Warranties) is for the sole and exclusive benefit of Healthscope and may only be waived by Healthscope (in its absolute discretion) in writing.
- (d) The Scheme Condition in clause 3.1(g) (Restraints) is for the benefit of both Healthscope and Brookfield and may only be waived by written agreement between Healthscope and Brookfield.
- (e) Waiver of a breach or non-fulfilment in respect of one Scheme Condition does not constitute:

- (1) a waiver of breach or non-fulfilment of any other Scheme Condition resulting from the same event; or
  - (2) a waiver of breach or non-fulfilment of that Scheme Condition resulting from any other event.
- (f) The Takeover Bid Conditions in clause 1.7(f) (Scheme fails) and 1.7(g) (minimum acceptance) of Schedule 1 may only be waived by Brookfield with the prior written consent of Healthscope (in its absolute discretion) in writing.

### 3.4 Certain notices in relation to Scheme Conditions and Takeover Bid Conditions

- (a) If Healthscope or Brookfield becomes aware that any Scheme Condition or Takeover Bid Condition has been satisfied, it must promptly notify the other in writing of this fact.
- (b) If, before the time specified for satisfaction of a Scheme Condition or Takeover Bid Condition, an event that will prevent, or is likely to prevent, that Scheme Condition or Takeover Bid Condition (as applicable) being satisfied occurs, the party with knowledge of that event must immediately give the other party written notice of that event.
- (c) No later than 7 days after Brookfield becomes aware of the occurrence of any event which would, or in fact does, prevent a Scheme Condition or a Takeover Bid Condition from being satisfied, Brookfield must publicly announce whether or not it waives the Scheme Condition and declares the Takeover Bid free from the corresponding Takeover Bid Condition (as applicable) or publicly announces whether or not it will assert that the event in question prevents a Scheme Condition or Takeover Bid Condition from being satisfied in accordance with clause 3.3 and the Takeover Bid Terms (as applicable).

### 3.5 Failure of a Scheme Condition or a Takeover Bid Condition

- (a) If an event occurs which would, or in fact does, prevent a Scheme Condition (other than the Scheme Conditions in clauses 3.1(e) (Court Approval) and 3.1(d) (Shareholder Approval (Scheme)) or a Takeover Bid Condition from being satisfied by the date and time specified in this deed or the Takeover Bid Terms (as applicable), the parties must consult in good faith to:
  - (1) determine whether one or both of the Transactions may proceed by way of alternative means or methods; or
  - (2) extend the relevant date or the End Date,
 and, unless there is no reasonable prospect that the Transactions may proceed, Healthscope may make an application to defer the Second Court Date until such time (being not later than the Business Day immediately prior to the End Date) as reasonably required to enable the relevant Scheme Condition or Takeover Bid Condition to be satisfied.
- (b) If the parties are unable to reach agreement under clause 3.5(a) within 5 Business Days of becoming aware of the relevant occurrence or relevant date or by the End Date, either party may terminate this deed without any liability (except under clauses 15 (Break Fee) and 16 (Reverse Break Fee), if applicable) to the other party because of that termination, unless the relevant occurrence or the failure of the Scheme Condition or Takeover Bid Condition to be satisfied arises out of a breach by the terminating party.

- (c) Subject to any rights or obligations arising under or pursuant to clauses that are expressed to survive termination, on termination of this deed, no party shall have any rights against or obligations to any other party under this deed except for those rights and obligations which accrued prior to termination.
- (d) If the Scheme Condition in clause 3.1(d) (Shareholder Approval) is not satisfied only because of a failure to obtain the majority required by section 411(4)(a)(ii)(A) of the Corporations Act, then either party may by written notice within 3 Business Days after the date of the conclusion of the Scheme Meeting require the approval of the Court to be sought, pursuant to the Court's discretion in that section, provided the party has in good faith formed the view that the prospect of the Court exercising its discretion in that way is reasonable. If approval is given, the Condition in clause 3.1(d) (Shareholder Approval) is deemed to be satisfied for all purposes.

## 4 Timing

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- (a) Subject to clauses 4(c) and 4(d), the parties must use their best endeavours to:
  - (1) comply with their respective obligations under this deed;
  - (2) take all necessary steps, commit necessary resources (including management and corporate relations resources and the resources of external advisors) and exercise all rights necessary to implement the Transactions; and
  - (3) procure that their officers and advisers work in good faith and in a timely and co-operative fashion with each other (including by attending meetings and providing information) to implement the Transactions,
 in accordance with the Timetable.
- (b) If the Scheme Conditions in clauses 3.1(a) FIRB Approval (Scheme), 3.1(b) (FIRB Approval (Property Transaction)) and 3.1(c) (OIO) have not been satisfied or waived by the Scheme Meeting, Healthscope must postpone or adjourn the Scheme Meeting to such time and date as Healthscope elects after consulting (acting reasonably) with Brookfield (subject to the orders made by the Court pursuant to section 411(1) of the Corporations Act), provided the new Timetable complies with clause 4(e) below.
- (c) Failure by a party to meet any timeframe or deadline set out in the Timetable will not constitute a breach of clause 4(a) to the extent that such failure is due to circumstances and matters outside the party's control.
- (d) Each party must keep the other informed about their progress against the Timetable and notify each other if it believes that any of the dates in the Timetable are not achievable.
- (e) To the extent that any of the dates or timeframes set out in the Timetable become not achievable due to matters outside of a party's control, the parties will consult in good faith to agree any necessary extension to ensure such matters are completed within the shortest practicable timeframe, provided that the proposed Implementation Date is not between 17 June 2019 and 30 June 2019 or between 17 September 2019 and 30 September 2019 and the days immediately before and after the Implementation Date are both Business Days.

## 5 Disclosure documents

### 5.1 Definitions

In this clause 5, the following definitions apply.

Term	Meaning
<b>Primary Party</b>	<ol style="list-style-type: none"> <li>1 in the case of the Scheme Booklet and the Target's Statement, Healthscope; and</li> <li>2 in the case of the Bidder's Statement, Brookfield.</li> </ol>
<b>Relevant Document</b>	each of the Scheme Booklet, the Target's Statement and the Bidder's Statement.
<b>Secondary Party</b>	<ol style="list-style-type: none"> <li>1 in the case of the Scheme Booklet and the Target's Statement, Brookfield; and</li> <li>2 in the case of the Bidder's Statement, Healthscope.</li> </ol>
<b>Secondary Party Information</b>	<p>in relation to a Relevant Document, information regarding the Secondary Party provided by the Secondary Party or its Representatives to the Primary Party in writing for inclusion in the Relevant Document, being:</p> <ol style="list-style-type: none"> <li>1 information about the Secondary Party, its Affiliates (in the case of Brookfield) or its Related Bodies Corporate (in the case of Healthscope), businesses and interests, and dealings in Healthscope Shares, its intentions for Healthscope's employees and the Property Transaction, the Capital Reduction and the Dividend and the financing pursuant to the Debt Commitment Letters and the implications of each of those matters for the Healthscope Group (in the case of Brookfield); and</li> <li>2 any other information required under the Corporations Act, Corporations Regulations or RG 60 (as applicable) to enable the Relevant Document to be prepared, which the parties agree is "Secondary Party Information" in relation to the Relevant Document and is identified in the Relevant Document as such.</li> </ol>

### 5.2 Primary Party's obligations

The Primary Party in respect of each Relevant Document must:

- (a) **preparation:** subject to clause 5.2(b) and in accordance with the Timetable, prepare and despatch the Relevant Document in accordance with all applicable laws and in particular with the Corporations Act, the Corporations Regulations, RG 60 and the Listing Rules (as applicable);
- (b) **consultation with the Secondary Party:** consult with the Secondary Party as to the content and presentation of the Relevant Document, including:

- (1) providing to the Secondary Party drafts of the Relevant Document for the purpose of enabling the Secondary Party to review and comment on those draft documents (accepting that any review of the Independent Expert's Report by Brookfield is limited to review for factual accuracy of those parts that include information relating to Brookfield);
  - (2) any relevant factual inputs necessary for the Independent Expert to opine on whether the Property Transaction confers a net benefit for the purposes of the Takeovers Panel Guidance Note 21: *Collateral Benefits*;
  - (3) taking all comments made by the Secondary Party into account in good faith when producing a revised draft of the Relevant Document;
  - (4) providing to the Secondary Party a revised draft of the Relevant Document within a reasonable time and:
    - (A) in the case of the Scheme Booklet, before the draft of the Scheme Booklet which is provided to ASIC for approval pursuant to section 411(2) of the Corporations Act is finalised; or
    - (B) in the case of the Bidder's Statement or Target's Statement, before despatch to Healthscope Shareholders; and
  - (5) obtaining written approval from the Secondary Party for the form and content in which the Secondary Party Information appears in the Relevant Document;
- (c) **ASIC review of the Scheme Booklet:** in the case of Healthscope, keep Brookfield informed of any matters raised by ASIC in relation to the Scheme Booklet, and use reasonable endeavours to take into consideration in resolving such matters any issues raised by Brookfield; and
- (d) **Updating information:** as a continuing obligation:
- (1) provide to the Secondary Party any information that arises after the Relevant Document has been despatched and until, in the case of the Scheme Booklet, the date of the Scheme Meeting and, in the case of the Target's Statement or the Bidder's Statement, the close of the Offer Period that may be necessary to ensure that the Relevant Document, in relation to the information for which Primary Party is responsible in accordance with clause 5.6, does not contain any material statement that is false or misleading in a material respect including because of any material omission; and
  - (2) ensure that the Relevant Document (but in respect of the information for which the Secondary Party will be described as responsible in that Relevant Document in accordance with clause 5.6, subject to the Secondary Party complying with its obligations to update such information) will be updated by all such further or new information which may arise after the Relevant Document has been despatched until the Scheme Meeting or close of the Offer Period (as applicable) which is necessary to ensure that Relevant Document is not misleading or deceptive in any material respect (including because of any material omission).

### 5.3 Secondary Party's obligations

The Secondary Party in respect of each Relevant Document must:

- (a) **Secondary Party Information:** prepare and promptly provide to the Primary Party the Secondary Party Information for inclusion in the Relevant Document and consent to the inclusion of that information in the Relevant Document;
- (b) **update Secondary Party Information:** promptly provide to the Primary Party any information that arises after the Relevant Document has been despatched and until, in the case of the Scheme Booklet, the date of the Scheme Meeting and, in the case of the Bidder's Statement and Target's Statement, the close of the Offer Period that may be necessary to ensure that the Relevant Document, in relation to the Secondary Party Information in it, does not contain any material statement that is false or misleading in a material respect including because of any material omission;
- (c) **review of the Relevant Document:** review the drafts of the Relevant Document prepared by the Primary Party and provide comments promptly on those drafts in good faith; and
- (d) **accuracy of Secondary Party Information:** before, in the case of the Scheme Booklet, the Scheme Booklet is lodged with ASIC, and, in the case of the Bidder's Statement or Target's Statement, despatched to Healthscope Shareholders, confirm to the Primary Party the accuracy and completeness of the Secondary Party Information in the Relevant Document, including that it does not contain any material statement that is false or misleading in a material respect including because of any material omission.

## 5.4 Recommendations

Healthscope must, unless there has been a withdrawal or change of recommendation in accordance with clause 2.6, include in the Scheme Booklet and the Target's Statement a statement by the Healthscope Board recommending that shareholders vote in favour of the Scheme and elect to receive the Scheme Cash Consideration, vote in favour of the Capital Reduction Resolution and accept the Takeover Bid, subject to and in accordance with clause 2.6.

## 5.5 Independent Expert's Report

Brookfield must provide any assistance or information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report.

## 5.6 Responsibility statements

- (a) The parties agree that each Relevant Document will contain statements to the effect that:
  - (1) the Primary Party is responsible for the content of the Relevant Document (other than, to the maximum extent permitted by law, the Secondary Party Information, the Independent Expert's Report or any other report or letter issued to the Primary Party by a third party); and
  - (2) the Secondary Party is responsible for the Secondary Party Information (and no other part of the Relevant Document).
- (b) If the parties disagree on the form or content of the Relevant Document, they must consult in good faith to try to settle an agreed form of the Relevant Document.
- (c) If within two Business Days of the consultation referred to in clause 5.6(b) above having commenced there is still no agreement between the parties, the

final form and content of the Relevant Document shall be determined by the Primary Party, acting reasonably and if the Secondary Party disagrees with such final form and content:

- (1) the Primary Party must include a statement to that effect in the Relevant Document; and
- (2) if the Primary Party's concerns relate to the Secondary Party's Information, the Primary Party must include a statement that the Secondary Party takes no responsibility for the relevant form or content to the extent that the Secondary Party disagrees with the final form and content.

## 6 Steps relevant to the Scheme

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### 6.1 Scheme

Healthscope must propose a scheme of arrangement under which all of the Scheme Shares will be transferred to Brookfield and the Scheme Shareholders will be entitled to receive the Scheme Consideration.

### 6.2 Scheme Consideration

- (a) The Scheme Consideration in respect of each Scheme Share to be provided in accordance with clause 5.1 of the Scheme is either:
  - (1) the Scheme Cash Consideration; or
  - (2) provided Healthscope Shareholders holding, in aggregate, at least 10% of the issued Healthscope Shares make valid Elections under the Scheme, at the election of the Scheme Shareholder who is not an Ineligible Foreign Shareholder, the Scheme Security Consideration. Where Healthscope Shareholders holding, in aggregate, less than 10% of the issued Healthscope Shares make valid Elections under the Scheme, all Healthscope Shareholders will receive the Scheme Cash Consideration.
- (b) Subject to clause 6.2(c) and the terms of the Scheme, Brookfield undertakes and warrants to Healthscope that, in consideration of the transfer to Brookfield of each Healthscope Share held by a Scheme Shareholder under the terms of the Scheme, on the Implementation Date, Brookfield will:
  - (1) accept that transfer; and
  - (2) provide to each Scheme Shareholder the Scheme Consideration for each Scheme Share in accordance with the terms of this deed and the Scheme.
- (c) Where the calculation of the number of Brookfield HoldCo Securities to be issued to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a Brookfield HoldCo Security, then the fractional entitlement will be rounded to the nearest whole number of Brookfield HoldCo Securities, with any such fractional entitlement of less than 0.5 being rounded down to the nearest whole number of Brookfield HoldCo Securities, and any such fractional entitlement of 0.5 or more being rounded up to the nearest whole number of Brookfield HoldCo Securities.

- (d) No Brookfield HoldCo Securities will be issued to an Ineligible Foreign Shareholder or otherwise to a Scheme Shareholder if such an issue would be unreasonably costly or onerous for Brookfield HoldCo, including if it would result in a breach of law without the lodgement, registration, approval or filing of a prospectus or other disclosure document with a Government Agency.
- (e) Brookfield covenants in favour of Healthscope that:
  - (1) the Brookfield HoldCo Class B Shares issued as Scheme Consideration will, on their issue, rank equally in all respects among themselves and with all other Brookfield HoldCo Ordinary Shares on issue at the Implementation Date;
  - (2) the Brookfield HoldCo Preference Shares issued as Scheme Consideration will, on their issue, rank equally in all respects among themselves; and
  - (3) on issue, each Brookfield HoldCo Security will be fully paid and free from any Security Interest or encumbrance.
- (f) In order to facilitate the provision of the Scheme Security Consideration, as soon as possible on or after the Scheme Record Date, and in any event by 5.00pm on the first Business Day after the Scheme Record Date, Healthscope will ensure that details of the names, Registered Addresses and holdings of Healthscope Shares for each Scheme Shareholder as shown in the Share Register who has elected to receive the Scheme Security Consideration are available to Brookfield in the form Brookfield reasonably requires.
- (g) Healthscope must ensure that an Election Form is made available to all Healthscope Shareholders and the Election Form must include the relevant matters set out in the Scheme and must otherwise be in a form agreed by the parties in writing.

### 6.3 Healthscope's obligations

Without limiting the general nature of clause 2.1 and Healthscope's obligations under clauses 5 and 6, Healthscope must execute all documents and do all acts and things within its power as may be reasonably necessary or desirable for the implementation of the Scheme Transaction on a basis consistent with this deed and as expeditiously as possible and in particular Healthscope must:

- (a) **Independent Expert:** promptly appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report for inclusion in the Scheme Booklet;
- (b) **approval of draft for ASIC:** as soon as reasonably practicable after the preparation of an advanced draft of the Scheme Booklet suitable for review by ASIC, procure that a meeting of the Healthscope Board, or of a committee of the Healthscope Board appointed for the purpose, is held to consider approving that draft as being in a form appropriate to ASIC for its review and approval for the purposes of section 411(2) of the Corporations Act;
- (c) **liaison with ASIC:** as soon as reasonably practicable after the date of this deed:
  - (1) provide an advanced draft of the Scheme Booklet, in a form approved in accordance with clause 6.3(b), to ASIC for its review and approval for the purposes of section 411(2) of the Corporations Act;

- (2) liaise with ASIC during the period of its consideration of that draft of the Scheme Booklet and use reasonable endeavours, in consultation with Brookfield, to resolve any such matters;
- (d) **approval of Scheme Booklet:** as soon as reasonably practicable after the conclusion of the review by ASIC of the Scheme Booklet, procure a meeting of the Healthscope Board, or of a committee of the Healthscope Board appointed for the purpose, is held to consider approving the Scheme Booklet for despatch to Healthscope Shareholders, subject to orders of the Court under section 411(1) of the Corporations Act;
- (e) **section 411(17)(b) statement:** apply to ASIC for the production of:
  - (1) a letter stating that it does not intend to appear at the First Court Date; and
  - (2) a statement under section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (f) **Court documents:** consult with Brookfield in relation to the content of the documents required for the purposes of the Court hearings held for the purposes of sections 411(1) and 411(4)(b) of the Corporations Act in relation to the Scheme (including originating processes, affidavits, submissions and draft minutes of Court orders), and consider in good faith any comments on or suggested amendments to those documents from Brookfield or its Representatives prior to filing those documents with the Court;
- (g) **Court direction:** promptly apply to the Court (including lodging all documents and taking all other reasonable steps) for orders directing Healthscope to convene the Scheme Meeting;
- (h) **registration of Scheme Booklet:** request ASIC to register the explanatory statement included within the Scheme Booklet in relation to the Scheme in accordance with section 412(6) of the Corporations Act;
- (i) **Scheme Meeting:** convene the Scheme Meeting to agree to the Scheme in accordance with the orders made by the Court pursuant to section 411(1) of the Corporations Act;
- (j) **General Meeting:** convene the General Meeting in accordance with clause 8.4(h) and Healthscope's constitution;
- (k) **proxy reports:** keep Brookfield reasonably informed on the status of proxy forms received for the Scheme Meeting and General Meeting, including over the period commencing 10 Business Days before the Scheme Meeting and General Meeting and ending on the deadline for receipt of proxy forms, and such other information as Healthscope or its Representatives may receive concerning the voting intentions of Healthscope Shareholders;
- (l) **Court approval:** (subject to all conditions precedent in clause 3.1, other than the condition in clause 3.1(e) (Court Approval), being satisfied or waived in accordance with this deed) promptly apply to the Court for orders approving the Scheme as agreed to by the Healthscope Shareholders at the Scheme Meeting;
- (m) **appeal process:** if the Court refuses to make any orders directing Healthscope to convene the Scheme Meeting or approving the Scheme, Healthscope and Brookfield must:
  - (1) consult with each other in good faith as to whether to appeal the Court's decision; and

- (2) appeal the Court decision unless the parties agree otherwise or an independent senior counsel opines that, in his or her view, an appeal would have no reasonable prospect of success;
- (n) **lodge copy of Court order:** lodge with ASIC an office copy of the Court order approving the Scheme as agreed to by the Healthscope Shareholders at the Scheme Meeting on the day such office copy is received (or such later date as agreed in writing by Brookfield);
- (o) **Scheme Consideration:** close the Share Register as at the Scheme Record Date and determine entitlements to the Scheme Consideration in accordance with the Scheme and the Deed Poll; and
- (p) **transfer and registration:** execute proper instruments of transfer of the Scheme Shares and subject to the Scheme Consideration having been provided in accordance with the Scheme and the Deed Poll, register all transfers of Healthscope Shares held by Scheme Shareholders to Brookfield (or its Subsidiary nominated in accordance with clause 2.4) on the Implementation Date and do all other things contemplated by or necessary to give effect to the Scheme and the orders of the Court approving the Scheme;
- (q) **suspension of trading:** apply to ASX to suspend trading in Healthscope Shares with effect from the close of trading on the Effective Date;
- (r) **listing:** take all reasonable steps to maintain Healthscope's listing on ASX, notwithstanding any suspension of the quotation of Healthscope Shares, up to and including the Implementation Date, including making appropriate applications to ASX and ASIC;
- (s) **regulatory notification:** in relation to the Regulatory Approvals, lodge with any regulatory authority within the relevant time periods all documentation and filings required by law to be lodged by Healthscope in relation to the Scheme;
- (t) **shareholder support:** promote to its shareholders the merits of the Scheme, including soliciting proxy votes in favour of the Scheme; and
- (u) **compliance with laws:** do everything reasonably within its power to ensure that all transactions contemplated by this deed in relation to the Scheme are effected in compliance with all applicable laws and regulations.

## 6.4 Brookfield's obligations

Without limiting the general nature of clause 2.1 and Brookfield's obligations under clauses 5 and 6, Brookfield must execute all documents and do all acts and things within its power as may be reasonably necessary or desirable for the implementation of the Scheme Transaction on a basis consistent with this deed and as expeditiously as possible, and in particular Brookfield must:

- (a) **representation:** procure that it is represented by counsel at the Court hearings convened for the purposes of sections 411(1) and 411(4)(b) of the Corporations Act, at which through its counsel, Brookfield will undertake (if requested by the Court) to do all such things and take all such steps within its power as are necessary in order to ensure the fulfilment of its, and its Subsidiaries, obligations under this deed and the Scheme;
- (b) **Deed Poll:** no later than 5 Business Days prior to the First Court Date, enter into, and procure that Brookfield HoldCo and its Subsidiary nominated in accordance with clause 2.4 enter into, the Deed Poll;

- (c) **Share transfer:** if the Scheme becomes Effective, accept, or procure that its Subsidiary nominated in accordance with clause 2.4 accepts, a transfer of the Healthscope Shares as contemplated by clause 6.2(b);
- (d) **Scheme Consideration:** if the Scheme becomes Effective, procure the provision of the Scheme Consideration in the manner and amount contemplated by clause 6 and the terms of the Scheme;
- (e) **Financing:**
  - (1) use all reasonable endeavours to ensure that the Brookfield Facility Agreement is entered into on or before the Scheme Meeting; and
  - (2) ensure that Brookfield holds the funds required to pay the Scheme Consideration to the Scheme Shareholders on the Implementation Date and the Takeover Bid Consideration in accordance with the terms of the Takeover Bid and the timing requirements of the Corporations Act and uses all reasonable endeavours to keep the finance agreements and arrangements to which Brookfield is a party relating to the availability of funds for the purposes of paying the Scheme Consideration and the Takeover Consideration on foot and to satisfy each of the conditions precedent to draw down of funds under those agreements or arrangements; and
- (f) **Scheme Security Consideration Documents:** consider, in good faith, any feedback provided by Healthscope Shareholders on the terms of the Shareholders' Deed Term Sheet and as soon as reasonably practicable inform Healthscope of any such feedback if such feedback was not conveyed to Brookfield on a confidential basis, for the purpose of finalising the terms of the Shareholders' Deed and the Brookfield HoldCo Constitution to be included in the Scheme Booklet.

## 6.5 Obligations of both parties – certificate

At the hearing on the Second Court Date, Healthscope and Brookfield must provide to the Court a certificate confirming whether or not the conditions precedent in clause 3.1 (other than the condition in clause 3.1(e) (Court Approval)) have been satisfied or waived in accordance with this deed. A draft of such certificate shall be provided by each party to the other party by 3.00pm on the Business Day prior to the Second Court Date.

## 6.6 No amendment to Scheme without consent

Healthscope must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior written consent of Brookfield.

## 6.7 Excluded Brookfield Shareholders

If any Brookfield Group Member acquires any Healthscope Shares after the date of this deed where permitted by the Confidentiality Deed, Brookfield must notify Healthscope in writing of such acquisition as soon as reasonably practicable following the acquisition, and thereafter that entity will not be a "Scheme Shareholder" for the purposes of this deed and will be excluded from the operation of the Scheme.

## 7 Facilitating the Takeover Bid

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### 7.1 Promoting the Takeover Bid

During the Offer Period, in the absence of a Superior Proposal, the Healthscope Board will support the Takeover Bid and participate in efforts reasonably required by Brookfield to promote the terms of the Takeover Bid.

### 7.2 Independent Expert

Healthscope will promptly appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report for inclusion in the Target's Statement.

### 7.3 Share register

From the date of this deed until the end of the Offer Period, Healthscope must:

- (a) provide Brookfield with a copy of the register of Healthscope Shareholders in an electronic form requested by Brookfield promptly after a request by Brookfield to do so (including any request made by Brookfield under section 641 of the Corporations Act);
- (b) provide Brookfield with a copy of the register of Healthscope Shareholders in electronic form on the day that Healthscope receives a copy from its registry each time a copy is obtained; and
- (c) comply with any reasonable request of Brookfield to give directions to Healthscope Shareholders pursuant to Part 6C.2 of the Corporations Act.

### 7.4 ASX listing

Healthscope must take all reasonable steps to maintain Healthscope's listing on ASX, notwithstanding any suspension of the quotation of Healthscope Shares, up to and including the date Brookfield compulsorily acquires any Healthscope Shares it does not already own under Chapter 6A of the Corporations Act, including making appropriate applications to ASX and ASIC.

## 8 Provisions relevant to both Transactions

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### 8.1 Permitted Dividend

- (a) Notwithstanding anything in this deed, Healthscope may declare and pay a dividend to Healthscope Shareholders of an amount up to \$0.035 per Healthscope Share (which may, at Healthscope's election, be partially or fully franked).
- (b) Neither the Scheme Consideration nor the Takeover Bid Consideration will be reduced by either the cash value of such dividend or any value attributed to any franking credits attached to such dividend.
- (c) From and including the date of this deed up to and including the end of the Offer Period, Healthscope must suspend the operation of its dividend reinvestment plan.

## 8.2 Conduct of business

- (a) From and including the date of this deed up to and including the earlier of the Implementation Date and close of the Offer Period, Healthscope must conduct, and must ensure that its Related Bodies Corporate conduct, their businesses in the ordinary and proper course of business, in substantially the same manner and at the same locations as previously conducted, except to the extent that:
  - (1) it is expressly required to do, permitted to do or is permitted not to do, that thing under or in accordance with this deed or the Property Transaction Documents;
  - (2) it is undertaken in response to a Competing Proposal as permitted by clause 14;
  - (3) such matter is Fairly Disclosed in the Disclosure Letter or the Due Diligence Materials (provided that the Disclosure Letter prevails to the extent of any inconsistency between the Disclosure Letter and the Due Diligence Materials) as being actions that the Healthscope Group may carry out between the date of this deed and the later of the Implementation Date and the close of the Offer Period; or
  - (4) Brookfield consents otherwise (such consent not to be unreasonably withheld or delayed).
- (b) Subject to clause 8.2(a) and any qualification in the Disclosure Letter, from the date of this deed up to and including the earlier of the Implementation Date and the close of the Offer Period, Healthscope must conduct and cause each of its Subsidiaries to conduct their businesses in the ordinary and usual course of business and:
  - (1) operate those businesses consistent with past practice, in substantially the same manner as previously conducted;
  - (2) maintain (and where necessary use reasonable efforts to renew) each of its material authorisations, accreditations and licenses applicable to each member of the Healthscope Group and promptly notify Brookfield if any renewal is not accepted by the relevant Government Agency;
  - (3) maintain (and where necessary use reasonable efforts to renew) each of its material insurance policies in place as at the date of this deed and promptly notify Brookfield if any renewal proposal is not accepted by the relevant insurer;
  - (4) provide Brookfield with copies of any correspondence from a Government Agency addressed to a member of the Healthscope Group which is received after the date of this deed and which is material to the Healthscope Group as a whole;
  - (5) provide Brookfield with:
    - (A) copies of any correspondence from a Government Agency or Government Official in relation to the Northern Beaches Hospital in Sydney; and
    - (B) notice in writing of any negotiations with such parties, or change in circumstances, in relation to the Northern Beaches Hospital in Sydney,

if such correspondence, negotiations or change in circumstances (as applicable) relates to a matter which could reasonably be considered to have a material financial impact on the Northern Beaches Hospital.

- (c) Without limiting clause 8.2(a), but for the avoidance of doubt subject to clauses 8.2(a)(1) to 8.2(a)(4) and any qualification in the Disclosure Letter, Healthscope must not, and must ensure that its Related Bodies Corporate do not, other than in the ordinary course of business and consistent with past practice (without the prior written consent of Brookfield, such consent not to be unreasonably withheld or delayed):
- (1) take any action that constitutes a Prescribed Occurrence or that could reasonably be expected to result in a Prescribed Occurrence, other than taking any action in relation to an intra-group dividend;
  - (2) other than as Fairly Disclosed, enters into or resolves to enter into a transaction with any related party of Healthscope (other than a related party which is a member of the Healthscope Group) as defined in section 228 of the Corporations Act which would require shareholder approval under Chapter 2E or under Chapter 10 of the Listing Rules;
  - (3) does anything that would result in a de-consolidation of the Healthscope Consolidated Tax Group, or result in any subsidiaries exiting or joining the Healthscope Consolidated Tax Group without consent from Brookfield (subject always to the other provisions of this deed);
  - (4) other than as Fairly Disclosed, incurs any additional external debt (except for drawdowns of existing banking working capital facilities or utilisation of the existing receivables facility) for one or more related items or amounts of, in aggregate more than \$20 million or guarantee or indemnify the obligations of any person other than a member of the Healthscope Group;
  - (5) dispose, or agree to dispose of any securities, business, real property, interest in a joint venture, entity or undertaking, the value of which exceeds \$20 million, individually or when aggregated with all such securities, businesses, real property, interests, entities or undertakings the subject of the transaction or series of related similar transactions, to any person other than another entity within the Healthscope Group, excluding a disposal which has been disclosed to Brookfield prior to the date of this deed;
  - (6) acquire, or agree to acquire any securities, business, real property, interest in a joint venture, entity or undertaking, the price of which exceeds \$20 million, individually or when aggregated with all such securities, businesses, real property, interests, entities or undertakings the subject of the transaction or series of related similar transactions, from another person other than another entity within the Healthscope Group, excluding an acquisition, or project expenditure which has been disclosed to Brookfield prior to the date of this deed;
  - (7) incur or enter into commitments involving capital expenditure of more than \$20 million in aggregate whether in one transaction or a series of related transactions, other than:
    - (A) genuine maintenance capital expenditure on plant and equipment; or
    - (B) capital expenditure Fairly Disclosed in the Due Diligence Materials;

- (8) enter into a new employment contract, or make any material variation to an existing employment contract, with the chief executive officer or any of the direct reports to the chief executive officer;
- (9) enter into any enterprise bargaining agreement or similar collective employment agreement, other than pursuant to contractual arrangements in effect on the date of this deed that were Fairly Disclosed in the Due Diligence Materials;
- (10) enter into, vary, terminate, exercise options under or submit tenders or proposals in relation to any contract, joint venture, partnership or commitment:
  - (A) involving total revenue or expenditure greater than \$20 million per annum; or
  - (B) having a term of 5 years or more and involving total revenue or expenditure greater than \$10 million per annum;
- (11) settle any legal proceedings, claim, investigation, arbitration or other like proceeding where the settlement amount exceeds \$20 million;
- (12) waive any material third party default where the financial impact of the waiver on the Healthscope Group as a whole will be in excess of \$20 million (individually or in aggregate); or
- (13) authorise, commit or agree to do any of the matters set out above.

### 8.3 Tax ruling

- (a) Healthscope will seek:
  - (1) a class ruling on behalf of Healthscope Shareholders from the ATO, in a form agreed between Healthscope and Brookfield (acting reasonably), in relation to the Capital Reduction and the Dividend which seeks to confirm that:
    - (A) Healthscope Shareholders are not precluded from entitlement to the franking credits and associated tax offset attached to the Dividend;
    - (B) the amount of the capital proceeds received by Healthscope Shareholders in respect of the Offer excludes the Dividend;
    - (C) the time of the CGT Event for the purposes of Part 3-1 of the Income Tax Assessment Act 1997; and
    - (D) the Commissioner of Taxation will not make a determination under subsection 45B(3) of the Income Tax Assessment Act 1936 that section 45C applies to deem any of the Capital Reduction as an unfranked dividend; and
    - (E) the Commissioner of Taxation will not make a determination under paragraph 204-30(3)(c) of the Income Tax Assessment Act 1997 or paragraph 177EA(5)(b) of the Income Tax Assessment Act 1936 to deny to Healthscope Shareholders any imputation benefits on the Dividend;
  - (2) a private ruling from the ATO, in a form agreed between Healthscope and Brookfield (acting reasonably), in relation to the Dividend which seeks to confirm that the Commissioner of Taxation will not make a determination under paragraphs 204-30(3)(a) and 204-30(3)(b) of the Income Tax Assessment Act 1997 or paragraph 177EA(5)(a) of the

Income Tax Assessment Act 1936 to impose a franking debit or an exempting debit on Healthscope as a result of, or in relation to, the Dividend; and

- (3) a class ruling on behalf of Healthscope Shareholders from the ATO, in a form agreed between Healthscope and Brookfield (acting reasonably), in relation to the Scheme which seeks to confirm:
  - (A) the time of the CGT Event for the purposes of Part 3-1 of the Income Tax Assessment Act 1997; and
  - (B) the ability of Healthscope Shareholders to elect scrip roll-over pursuant to Subdivision 124-M of the Income Tax Assessment Act 1997 to the extent of the Scheme Security Consideration.
- (b) Brookfield must promptly provide any assistance required by Healthscope acting reasonably in order that Healthscope can perform its obligations under clause 8.3(a).

#### 8.4 Assistance with property and financing arrangements

- (a) Healthscope must:
  - (1) comply with its obligations and not breach any material representation or warranty (and procure that the relevant Healthscope Group Members comply with their obligations and not breach any material representation or warranty, including entering into all relevant documents) under the Property Transaction Documents and any Replacement Property Transaction Documents;
  - (2) promptly provide to Brookfield any material notice or other material communication under or in connection with the Property Transaction Documents and any Replacement Property Transaction Documents;
  - (3) comply (or procure that the relevant Healthscope Group Members comply) with any reasonable direction from Brookfield to exercise rights under the Property Transaction Documents and any Replacement Property Transaction Documents, including issuing a notice to complete or terminating the Property Transaction Documents and any Replacement Property Transaction Documents. Nothing in this clause prevents Healthscope from performing its obligations under the Property Transaction Documents or the Replacement Property Transaction Documents; and
  - (4) not (and procure that the relevant Healthscope Group Member does not) exercise, amend, vary or waive any rights of the relevant Healthscope Group Members (including the rights to give, make, withdraw or vary any notice, request or election) under the Property Transaction Documents or any Replacement Property Transaction Documents without the prior written consent of Brookfield.
- (b) Brookfield unconditionally and irrevocably indemnifies Healthscope, on demand, against all losses incurred by Healthscope arising from anything done or not done pursuant to this clause 8.4(a)(3) upon instruction or direction from Brookfield. The obligation of Brookfield under this clause 8.4(b) is a principal and continuing obligation and remains in full force and effect until released by Healthscope. The liability of Brookfield under this clause 8.4(b) is not affected by anything which, but for this clause 8.4(b), might operate to release or exonerate Brookfield in whole or in part from its obligations.

- (c) If:
- (1) the Property Transaction Documents (or any of them) are terminated;
  - (2) Brookfield requests that Healthscope Group Members enter into documentation (which may be with up to three separate purchasers and may relate to all or some of the properties which are the subject of the Property Transaction Documents) for the sale and lease-back of property by relevant Healthscope Group Members on arms' length terms, provided that:
    - (A) if the replacement purchaser is a Brookfield Related Party, the terms are the same as those in the terminated Property Transaction Documents including as to price;
    - (B) completion under the Replacement Property Transaction Documents must not occur before (i) the Scheme becomes Effective or (ii) both the Offer is declared (or otherwise becomes) unconditional and Brookfield acquires a Relevant Interest in more than 50% of the Healthscope Shares; and
    - (C) the entry into, or performance of the relevant Healthscope Group Member's or any other party's obligations under, such documentation must not, and must not be reasonably likely, to cause any Condition to not be satisfied or otherwise cause a breach of this deed;
  - (3) without limitation to clause 8.4(c)(2), the entry into, or performance of the relevant Healthscope Group Member's obligations under, such documentation, must not require the approval of Healthscope Shareholders or a waiver of a Listing Rule; and
  - (4) Healthscope is satisfied, acting reasonably, that each proposed counterparty to such documentation has the financial capacity to perform its obligations under such documentation; and Brookfield has provided to Healthscope execution versions of the Replacement Property Transaction Documents,
- (such documentation, being the **Replacement Property Transaction Documents**), Healthscope must execute (and must procure that each relevant Healthscope Group Members executes) the Replacement Property Transaction Documents and deliver those original counterparts to Brookfield within 5 Business Days of the date on which the execution versions are provided in accordance with clause 8.4(c)(2).
- (d) Subject to clause 8.4(c), the counterparty to the Replacement Property Transaction Documentation may be a Property Investor or any other person nominated by Brookfield.
- (e) Healthscope will procure (with Brookfield's reasonable assistance and provision to Healthscope from Brookfield of reasonably requested information) that the Healthscope Board meets to consider and, if thought fit, resolves to determine to implement the Capital Reduction conditional upon:
- (1) the Property Transaction having completed (or loans having been advanced by the relevant Property Investor to Healthscope to the extent completion of the sale of any property has been deferred) in accordance with the Property Transaction Documents or any Replacement Property Transaction Documents (as applicable);
  - (2) the proposed refinancing of the Healthscope Group being completed;
  - (3) the Offer being declared or becoming unconditional;

- (4) Brookfield acquiring a Relevant Interest in more than 50% of the Healthscope Shares;
- (5) the Capital Reduction having been approved by the requisite majority at the General Meeting or any Subsequent General Meeting (as applicable); and
- (6) persons nominated by Brookfield to be appointed as directors of Healthscope comprising a majority of the directors of Healthscope;

the Capital Reduction will be paid on the Capital Reduction Implementation Date. For the avoidance of doubt, nothing in this deed requires the Healthscope Board to determine to implement the Capital Reduction other than in accordance with this clause 8.4(d).

- (f) Healthscope will procure (with Brookfield's reasonable assistance and provision to Healthscope from Brookfield of reasonably requested information) that:

- (1) the Healthscope Board resolves to determine to pay the Dividend such that the Dividend Record Date falls at least two Business Days before the Scheme Meeting, conditional upon:
  - (A) the Property Transaction having completed (or loans having been advanced by the relevant Property Investor to Healthscope to the extent completion of the sale of any property has been deferred) in accordance with the Property Transaction Documents or any Replacement Property Transaction Documents (as applicable);
  - (B) the proposed refinancing of the Healthscope Group being completed;
  - (C) the Offer being declared or becoming unconditional;
  - (D) Brookfield acquiring a Relevant Interest in more than 50% of the Healthscope Shares; and
  - (E) the persons nominated by Brookfield to be appointed as directors of Healthscope comprising a majority of the directors of Healthscope;

and

- (2) subject to satisfaction of the conditions to such determination, the Healthscope Board meets to consider and resolves to pay the Dividend on the Dividend Payment Date.

For the avoidance of doubt, nothing in this deed requires the Healthscope Board to determine to pay the Dividend other than in accordance with this clause 8.4(f). The Dividend will be franked to the extent that Healthscope receives the confirmations (whether in draft or final form) set out in clauses 8.3(a)(1)(A), 8.3(a)(1)(E) and 8.3(a)(2) and otherwise agreed between the parties.

- (g) Healthscope agrees to do all things, including preparing and lodging documents, holding Healthscope Board meetings and general meetings, sending notices and supporting documentation for any such Healthscope Board meetings and general meetings as required by Healthscope's constitution and the Listing Rules, passing Healthscope Board resolutions, providing information and providing assistance, as may be reasonably required or requested by Brookfield to implement the Capital Reduction on the Capital Reduction Implementation Date and pay the Dividend on the Dividend Payment Date.
- (h) Without limiting clauses 8.4(a), 8.4(c) and 8.4(d), Healthscope must:

- (1) convene the General Meeting to be held on the same day as the Scheme Meeting (to follow immediately after the conclusion of the Scheme Meeting) in accordance with Healthscope's constitution;
  - (2) seek the approval of Healthscope Shareholders for the Capital Reduction Resolution at the General Meeting;
  - (3) if requested to do so by Brookfield not more than 2 Business Days before the scheduled date for the Scheme Meeting and provided that Brookfield does not have a Relevant Interest in at least 50.1% of the Healthscope Shares (on a fully diluted basis):
    - (A) adjourn or postpone the General Meeting in accordance with Healthscope's constitution to the date reasonably requested by Brookfield; or
    - (B) cancel the General Meeting;
  - (4) if the General Meeting is cancelled in accordance with clause 8.4(h)(3)(B) or the Capital Reduction Resolution is not passed by the required majorities at the General Meeting, if requested to so by Brookfield before the Implementation Date:
    - (A) convene the Subsequent General Meeting to be held on the date requested by Brookfield in accordance with Healthscope's constitution; and
    - (B) seek the approval of Healthscope Shareholders for the Capital Reduction Resolution at the Subsequent General Meeting;
  - (5) prepare and lodge with ASIC any documents required in relation to the Capital Reduction in accordance with the requirements of the Corporations Act; and
  - (6) provide to the persons nominated by Brookfield and appointed under clause 8.9(b) information and assistance reasonably required or requested by them in connection with the Dividend and Capital Reduction, including:
    - (A) preparing and providing management accounts for the period from the end of the most recent audited financial accounts of Healthscope and the Healthscope Group up to the date of the determination;
    - (B) providing reasonable access to Healthscope management; and
    - (C) preparing and providing information providing a forward looking analysis of the financial position of Healthscope and the Healthscope Group from the date of determination up to the Dividend Payment Date and Capital Reduction Implementation Date.
- (i) Healthscope is not obliged to take any action in respect of:
- (1) a sale arranged or proposed by Brookfield of some or all of the real property assets of the Healthscope Group;
  - (2) a refinancing arranged or proposed by Brookfield of the Healthscope Group; or
  - (3) the use of proceeds of such sale or refinancing,

if, in the opinion of the Healthscope Board (after receiving written advice from its legal and financial advisers), such action:

- (4) would be a breach of law or otherwise breach the fiduciary or statutory duties of the Healthscope Board; or
- (5) would require the implementation of any transaction, or change to the capital structure of the Healthscope Group, before the Takeover Bid or Scheme is unconditional,

provided that such an opinion may only be reached for the purposes of this clause 8.4(i) (i) with reference to any matter, event or circumstance that occurs after the date of this deed, or occurs before the date of this deed but is only announced or publicly disclosed after the date of this deed and (ii) without any reference to any matter, event or circumstance that was known to Healthscope on or prior to the date of this deed.

- (j) For the avoidance of doubt, the parties agree that neither Transaction is conditional on:

- (1) the availability of funds from either Property Investor to Brookfield or Healthscope; or
- (2) in the case of the Takeover Bid, Healthscope re-financing its existing debt facilities,

and, if any funds are not made available by either Property Investor, Brookfield will remain obliged to ensure that it has sufficient cash to pay the Scheme Consideration and the Takeover Bid Consideration and otherwise perform its obligations under this deed.

- (k) Healthscope agrees to cease all negotiations and discussions in relation to the Property Trust Proposal and not pursue the Property Trust Proposal until the Restricted Period has concluded.
- (l) If any event occurs which would, or in fact does, prevent the Scheme Condition in clause 3.1(b) (FIRB Approval (Property Transaction)) or the Takeover Bid Condition in clause 1.7(b) of schedule 1 of this deed (FIRB Approval (Property Transaction)) from being satisfied by the End Date, Brookfield must promptly exercise any rights that it has to require the unaffected Property Investor (as applicable) to acquire the relevant properties under the Property Transaction on equivalent terms and, failing that, use all reasonable endeavours to require another counterparty to acquire the relevant properties under the Property Transaction in accordance with clause 8.4(c) above.
- (m) At least one month before the expected Implementation Date Healthscope must provide to Brookfield Healthscope's expected levels of cash on hand and drawn debt as at the expected Implementation Date (**Expected Position**). Healthscope must one week prior to the expected Implementation Date provide to Brookfield an updated Expected Position.

## 8.5 Assistance with regulatory relief

Each party agrees to provide reasonable assistance to the other party in order to enable the other party to obtain any relief, waiver, confirmation, exemption, consent or approval from a Regulatory Authority which is necessary for either of the Transactions.

## 8.6 Post-transaction planning

- (a) Healthscope must provide Brookfield with reasonable access to information (subject to any existing confidentiality obligations owed to third parties or any

other applicable legal restriction), its premises and members of the executive leadership team of Healthscope as reasonably requested by Brookfield and agreed by Healthscope's chief executive officer at mutually convenient times for the sole purpose of:

- (1) facilitating Brookfield to develop plans for Healthscope's operations following implementation of the Scheme; or
  - (2) any other purpose agreed between the parties in writing,
- provided that:
- (3) information will be made available via the data room;
  - (4) nothing in this clause will require Healthscope to provide information concerning Healthscope's directors and management's consideration of the Scheme, the Takeover Bid or any Competing Proposal; and
  - (5) it does not, in the reasonable opinion of Healthscope, result in unreasonable disruptions to the Healthscope Group's business or require Healthscope to make further disclosure to any other entity or Government Agency or disclosure that would compromise legal privilege.
- (b) Brookfield acknowledges that their investigations under this clause 8.6(a) will be subject to the Confidentiality Deed and all applicable laws or requirements of any Government Agency.
  - (c) The obligations pursuant to clause 8.6(a) commence from the date of despatch of the Scheme Booklet to Healthscope Shareholders and cease to operate upon a majority of the Healthscope Board changing or withdrawing their recommendation.

## 8.7 Change of control provisions

As soon as practicable after the date of this deed, Healthscope and Brookfield must seek to identify any change of control or unilateral termination rights in material leases and material contracts to which Healthscope or a Healthscope Group Member is party which may be triggered by or exercised in response to the implementation of the Transactions. In respect of those leases and contracts:

- (a) Healthscope and Brookfield will agree a proposed course of action (which, among other things, will have due regard to applicable legal restrictions) and then Healthscope will initiate contact, including joint discussions if required, with the relevant landlords and counterparties and request that they provide any consents or confirmations required or appropriate. Brookfield must not contact any landlords or counterparties without Healthscope present or without Healthscope's prior written consent (which is not to be unreasonably withheld, conditioned or delayed).
- (b) Healthscope must cooperate with, and provide reasonable assistance to, Brookfield to obtain such consents or confirmations as expeditiously as possible, including by promptly providing any information reasonably required by counterparties (but nothing in this clause requires Healthscope or Brookfield to incur material expense).
- (c) Brookfield must take all action necessary to comply with any requirements of the landlords and counter-parties that are reasonably necessary to obtain the relevant consent or confirmation, including providing any information required and entering into parent guarantees or such other forms of guarantee or security as landlords may reasonably require and make officers and employees

available, where necessary to meet with landlords and counter-parties to deal with any issues arising in relation to the matter.

- (d) A failure by a Healthscope Group Member to obtain any third party consent or confirmation, or the exercise of a termination right, will not constitute a breach of this deed by Healthscope and, together with any consequences that arise, will be disregarded when assessing the operation of any other provision of this deed.

## 8.8 Financing

Notwithstanding clause 8.5:

- (a) Healthscope agrees to provide timely cooperation in connection with the arrangement or syndication of any debt or equity financings by any Brookfield Group Member as may be reasonably requested by any of them (the **Requesting Party**) and from time to time, including:
- (1) furnishing, the Requesting Party and its financing sources within a reasonable timeframe (including providing any consent required under the Confidentiality Deed to such disclosure) with financial or other pertinent information regarding Healthscope, the Healthscope Group or any other entity in which any Healthscope Group Member has an investment as may be reasonably requested by the Requesting Party; assisting the Requesting Party and its financing sources in the preparation of any offering document to be used in obtaining or syndicating any acquisition, debt or equity financing; cooperating with any marketing efforts undertaken by the Requesting Party and its financing sources related to debt or equity financings (including by making available such senior executives of Healthscope as reasonably requested by the Requesting Party at mutually convenient times for conference calls, management presentation sessions, roadshows and similar meetings or presentations);
  - (2) providing reasonable assistance upon request to the Requesting Party and its Related Bodies Corporate or Affiliates to satisfy any conditions and obligations of any financing to the extent same is within its control; and
- provided, in each case, that:
- (3) where Healthscope has acted in good faith, neither Healthscope nor any Healthscope Group Member shall be required to incur any liability in connection with any acquisition, debt or equity financing prior to the earlier of the Takeover Bid or Scheme becoming unconditional, that is not reimbursable by the Requesting Party;
  - (4) Brookfield and the Requesting Party must indemnify and hold harmless each Healthscope Indemnified Party from and against any and all losses, damages, claims, costs or expenses suffered or incurred by any of them in connection with any acquisition, debt or equity financing and any information utilised in connection therewith, in each case other than to the extent any of the foregoing arises from the bad faith or wilful misconduct of, or fraud by, that Healthscope Indemnified Party;
  - (5) nothing in this clause, shall require cooperation to the extent that it would:

- (A) cause any Condition Precedent to not be satisfied or otherwise cause a breach of this deed; or
  - (B) require a Healthscope Group Member to take any action that would reasonably be expected to conflict with or violate the Healthscope Group Member constituent documents or any law; or
  - (C) require the approval of shareholders of Healthscope under section 260B of the Corporations Act or equivalent or analogous restriction in any jurisdiction; and
- (6) no Healthscope Indemnified Party shall be required to execute prior to the earlier of the Takeover Bid or Scheme becoming unconditional any agreements, including any credit or other agreements, pledge or security documents or other certificates, legal opinions or documents in connection with the equity or debt financing;
- (b) Healthscope must facilitate liaison between Brookfield and existing financiers, noteholders, transactional banking and derivative instrument counterparties for the purposes of Brookfield notifying and discussing change of control procedures and post-acquisition financing related matters with those financiers and/or managing the repayment and in the case of transactional banking and ordinary course derivative transactions, at the request of Brookfield, continuation of those counterparties on or after the Implementation Date or the date on which the final Offer completes and the efficient termination (or continuation as the case may be) of their existing financing arrangements with Healthscope with effect from that time (including as to the release of any existing security held by those counterparties over Healthscope and/or its subsidiaries);
- (c) Healthscope must provide to Brookfield under the Confidentiality Deed, all financial information which Brookfield reasonably requires in order to prepare the unwinding of existing, and the implementation of new, financing arrangements after the Implementation Date or the date on which the final Offer completes, as applicable; and
- (d) Brookfield must promptly reimburse Healthscope for all reasonable costs incurred by Healthscope in connection with any cooperation provided under this clause 8.8 or otherwise in connection with the Debt Commitment Letters (including reasonable advisors' fees and expenses).

## 8.9 Appointment of directors

- (a) On the Implementation Date, but subject to the Scheme Consideration having been paid to the Scheme Shareholders and receipt by Healthscope of signed consents to act, Healthscope must:
  - (1) take all actions necessary to appoint the persons nominated by Brookfield as new directors of Healthscope; and
  - (2) procure that all of Healthscope's existing directors resign from the Healthscope Board,
 in each case in accordance with Healthscope's constitution, the Corporations Act and the Listing Rules.
- (b) Subject to clause 8.9(c), no later than 2 Business Days after the later of:
  - (1) the Offer being declared or becoming unconditional; and

- (2) Brookfield acquiring a Relevant Interest in more than 50% of the Healthscope Shares;

and subject to receipt by Healthscope of signed consents to act, Healthscope must:

- (3) take all actions necessary to appoint the persons nominated by Brookfield as new directors of Healthscope (including, if required by Brookfield, the new chairman) or any other Healthscope Group Member;
- (4) procure that all Healthscope's directors (other than two directors nominated by Healthscope at the time) resign from the Healthscope Board; and
- (5) procure that any existing directors of any Healthscope Group Member (other than Healthscope), as nominated by Brookfield, resign as directors of the relevant Healthscope Group Member,

so that:

- (6) those persons nominated by Brookfield to be appointed as directors of Healthscope comprise a majority of the directors of Healthscope; and
  - (7) those persons nominated by Brookfield to be appointed as directors of other Healthscope Group Members comprise a majority of the directors of each such Healthscope Group Member.
- (c) After appointments are made under clause 8.9(b), Brookfield must procure that its nominees on the Healthscope Board do not participate in any discussions or decisions of that board which relate to the Takeover Bid during the Offer Period (but may take part in discussions relating to the implementation of the Capital Reduction and payment of the Dividend).
  - (d) The parties agree that the appointment of directors to the Healthscope Board contemplated by clause 8.9(b) will not be subject to ASX's Corporate Governance Principles and Recommendations.
  - (e) Healthscope will provide reasonable assistance to Brookfield in relation to seeking any regulatory approvals or contractual counterparty consents required for the appointment, at the applicable times referred to in clauses 8.8(a) and 8.8(b), of any new executive management or directors (nominated by Brookfield) to the boards of any Healthscope Group Member (excluding the Healthscope Board).

## 8.10 Deeds of indemnity and insurance

- (a) Subject to Brookfield appointing a majority of the directors of Healthscope in accordance with clause 8.9(b), Brookfield undertakes in favour of Healthscope and each other person who is a Healthscope Indemnified Party that it will:
  - (1) subject to clause 8.10(d), for a period of 7 years from the Implementation Date, ensure that the constitutions of Healthscope and each other Healthscope Group Member continue to contain rules which are no less favourable overall than the rules contained in those constitutions at the date of this deed that provide for each company to indemnify each of its directors and officers against any liability incurred by that person in his or her capacity as a director or officer of the company to any person other than a Healthscope Group Member; and

- (2) procure that Healthscope and each other Healthscope Group Member complies with any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time and without limiting the foregoing, ensure that directors' and officers' run-off insurance cover for such directors and officers is maintained, subject to clause 8.10(d), for a period of 7 years from the retirement date of each director and officer.
- (b) The undertakings contained in clause 8.10(a) are subject to any Corporations Act restriction, or any restriction in the law of a jurisdiction in which an entity is incorporated, and will be read down accordingly.
- (c) Healthscope receives and holds the benefit of clause 8.10(a), to the extent it relates to the other Healthscope Indemnified Parties, as trustee for them.
- (d) The undertakings contained in clause 8.10(a) are given until the earlier of the end of the relevant period specified in clause 8.10(a) or the relevant Healthscope Group Member ceasing to be part of the Brookfield Group.

### 8.11 Performance Rights

Healthscope must give effect to the treatment of Performance Rights in the manner agreed between Brookfield and Healthscope prior to the date of this deed and ensure that, by Implementation or Brookfield being entitled to proceed to compulsorily acquire all Healthscope Shares, all Performance Rights will have vested, lapsed or been cancelled.

### 8.12 Transition Committee

- (a) On and from the date of this deed, the parties agree to establish a committee (**Transition Committee**) initially comprising the following individuals:
  - (i) as representatives of Healthscope, Gordon Ballantyne, Michael Sammells, Ingrid Player and David Allison; and
  - (ii) as representatives of Brookfield, Len Chersky, Sophia Rihani, Gregory Horan and Michael Horowitz.
- (b) The role of the Transition Committee will be to act as a forum for discussion and planning, but not decision making, in relation to overseeing the progress of the Transactions in accordance with this deed and assisting with the eventual transition of the control of Healthscope to Brookfield upon the Scheme becoming Effective or the Offer being declared or becoming unconditional, in particular in relation to the following:
  - (i) key stakeholder engagement strategy (including Government Agencies, key contractual counterparties and labour unions) and related communications; and
  - (ii) the process for giving notice to, or seeking consent or approval from Healthscope's material contractual counterparties (including third party debt financiers and counterparties to contracts which Healthscope and Brookfield agree are material to the Business).
- (c) Healthscope will provide the necessary information about the Business to discuss the matters considered by the Transition Committee. Any information provided to representatives of Brookfield under this clause 8.12 will be subject to the

Confidentiality Deed and all applicable laws or requirements of any Government Agency.

- (d) Nothing in this clause 8.12:
  - (i) in any way limits Healthscope's conduct of the Business, including in accordance with clause 8.2 and 8.7; or
  - (ii) requires Healthscope to act at the direction of Brookfield or imposes any obligation on Healthscope to conduct its Businesses in accordance with any direction or representation made by Brookfield.
- (e) The Transition Committee will meet at least fortnightly or on such shorter timeframes as Brookfield and Healthscope agree. Meetings may be held via telephone.
- (f) The members of the Transition Committee may agree to invite other persons to attend meetings of the Transition Committee from time to time.
- (g) Nothing in clause 8.12 will require any party to act or participate in any forum to the extent that it is contrary to law or the requirements of any Government Agency.

## 9 Representations and warranties

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### 9.1 Healthscope's representations and warranties

Healthscope represents and warrants to Brookfield each of the Healthscope Representations and Warranties.

### 9.2 Healthscope's indemnity

Healthscope agrees with Brookfield to indemnify Brookfield from any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising which Brookfield or any of the other Brookfield Indemnified Parties suffers, incurs or is liable for arising out of any breach of any of the Healthscope Representations and Warranties.

### 9.3 Brookfield's representations and warranties

Brookfield represents and warrants to Healthscope (in its own right and separately as trustee or nominee for each Healthscope Board Member) each of the Brookfield Representations and Warranties.

### 9.4 Brookfield's indemnity

Brookfield agrees with Healthscope (in its own right and separately as trustee or nominee for each Healthscope Board Member) to indemnify Healthscope and each Healthscope Board Member against any claim, action, damage, loss, liability, cost, expense or payment of whatever nature and however arising which Healthscope or any Healthscope Board Member suffers, incurs or is liable for arising out of any breach of any of the Brookfield Representations and Warranties.



## **9.5 Qualifications on Healthscope's representations, warranties and indemnities**

The Healthscope Representations and Warranties in clause 9.1 and the indemnity in clause 9.2 are each subject to matters that have been:

- (a) disclosed by Healthscope to ASX or in a document lodged with ASIC prior to the date of this deed; or
- (b) Fairly Disclosed in the Due Diligence Materials or the Disclosure Letter.

## **9.6 Survival of representations**

Each representation and warranty referred to in clauses 9.1 and 9.3:

- (a) is severable; and
- (b) survives the termination of this deed.

## **9.7 Survival of indemnities**

Each indemnity in this deed (including those in clauses 9.2 and 9.4):

- (a) is severable;
- (b) is a continuing obligation;
- (c) constitutes a separate and independent obligation of the party giving the indemnity from any other obligations of that party under this deed; and
- (d) survives the termination of this deed.

## **9.8 Timing of warranties**

Each representation and warranty made or given under clauses 9.1 and 9.3 is given:

- (a) at the date of this deed;
- (b) at the date the Scheme Booklet is despatched to Healthscope Shareholders;
- (c) at 8.00am on the Second Court Date; and
- (d) at all times during the Offer Period,

unless that representation or warranty is expressed to be given at a particular time, in which case it is given at that time.

# **10 Releases**

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## **10.1 Healthscope directors and officers**

- (a) Brookfield releases its rights, and agrees with Healthscope that it will not make a claim, against any Healthscope Indemnified Party (other than Healthscope) as at the date of this deed in connection with:
  - (1) any breach of any representations, covenants and warranties of Healthscope or any member of the Healthscope Group in this deed; or
  - (2) any disclosures containing any statement which is false or misleading whether in content or by omission,



except where that Healthscope Indemnified Party has not acted in good faith or has engaged in wilful misconduct or fraud.

- (b) This clause is subject to any Corporations Act restriction and will be read down accordingly. Healthscope receives and holds the benefit of this clause to the extent it relates to each other Healthscope Indemnified Party as trustee for each of them.

## **10.2 Brookfield directors and officers**

- (a) Healthscope releases its rights, and agrees with Brookfield that it will not make a claim, against any Brookfield Indemnified Party (other than Brookfield) as at the date of this deed in connection with:

- (1) any breach of any representations, covenants and warranties of Brookfield in this deed; or
  - (2) any disclosure containing any statement which is false or misleading whether in content or by omission,

except where that Brookfield Indemnified Party has not acted in good faith or has engaged in wilful misconduct or fraud.

- (b) This clause is subject to any Corporations Act restriction and will be read down accordingly. Brookfield receives and holds the benefit of this clause to the extent it relates to each other Brookfield Indemnified Party as trustee for each of them.

## **11 Public announcement**

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Immediately after the execution of this deed, Healthscope and Brookfield must issue public announcements in a form agreed between the parties.

## **12 Confidentiality**

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### **12.1 Confidentiality Deed**

Healthscope and Brookfield acknowledge and agree that the parties to the Confidentiality Deed continue to be bound by the Confidentiality Deed after the date of this deed.

### **12.2 Survival of obligations**

The rights and obligations of the parties under the Confidentiality Deed survive termination of this deed.

## 13 Process Deed

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### 13.1 Termination

Subject to clause 13.2, Healthscope and Brookfield agree that, on and from the time of entry into this deed and notwithstanding clause 6 of the Process Deed, the Process Deed is hereby terminated and all obligations under the Process Deed are discharged.

### 13.2 Survival

Healthscope and Brookfield agree that each party retains the rights it has against the other in connection with any breach of the Process Deed before entry into this deed.

## 14 Exclusivity

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### 14.1 No current discussions regarding a Competing Proposal

Healthscope represents and warrants that, as at the date of this deed neither Healthscope nor any Representative of Healthscope is in negotiations or discussions in respect of any Competing Proposal with any person.

### 14.2 Enforcement of existing confidentiality agreements

Unless otherwise agreed by Brookfield, Healthscope must:

- (a) promptly enforce the terms of any confidentiality agreement, deed or undertaking (or similar document) entered into with a person other than Brookfield in the 12 months prior to the date of this deed in relation to any Competing Proposal; and
- (b) not waive, and must promptly enforce, any standstill obligations of any such person.

### 14.3 No-shop

During the Restricted Period, Healthscope must ensure that neither it nor any of its Representatives directly or indirectly:

- (a) solicits, invites, encourages or initiates any enquiries, expressions of interest, offers, proposals, negotiations or discussions; or
- (b) communicates any intention to do any of these things,

with a view to, or that may be reasonably expected to encourage or lead to, obtaining any offer, proposal or expression of interest from any person in relation to a Competing Proposal.

### 14.4 No-talk

Subject to clause 14.6, during the Restricted Period, Healthscope must ensure that neither it nor any of its Representatives:

- (a) negotiates or enters into; or
- (b) participates in negotiations or discussions with any other person regarding,



a Competing Proposal or any agreement, understanding or arrangement that may be reasonably expected to lead to a Competing Proposal, even if that person's Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by Healthscope or any of its Representatives or the person has publicly announced the Competing Proposal.

## **14.5 No-due diligence**

Subject to clause 14.6, during the Restricted Period, Healthscope must ensure that neither it nor any of its Representatives in relation to a Competing Proposal:

- (a) enables any other person other than Brookfield and any other person nominated by Brookfield to undertake due diligence investigations on any member of the Healthscope Group, any of the operations or assets of the Business or any part thereof;
- (b) makes available to any other person, or permits any other person to receive, other than Brookfield and any other person nominated by Brookfield (in the course of due diligence investigations or otherwise) any non-public information relating to any member of the Healthscope Group, any of the operations or assets of the Business or any part thereof;
- (c) makes available to any other person, or permits any other person to have access to, other than Brookfield and any other person nominated by Brookfield (in the course of due diligence investigations or otherwise) any premises used, leased, licenced or owned by the Healthscope Group; or
- (d) makes available to any other person, or permits any other person to have access to, other than Brookfield and any other person nominated by Brookfield (in the course of due diligence investigations or otherwise) any officers or employees of the Healthscope Group.

## **14.6 Limitation to no-talk and no-due diligence**

Each of clauses 14.4 or 14.5 do not apply to the extent that it restricts Healthscope or the Healthscope Board from taking or refusing to take any action with respect to a genuine Competing Proposal (which was not solicited, invited, encouraged or initiated in contravention of clause 14.1) provided that the Healthscope Board has determined, in good faith that:

- (a) after consultation with its financial advisors, such a genuine Competing Proposal is, or could reasonably be considered to become, a Superior Proposal; and
- (b) after receiving written legal advice from its external legal advisers (who must be reputable advisers experienced in transactions of this nature) failing to respond to such a genuine Competing Proposal would be reasonably likely to constitute a breach of the Healthscope Board's fiduciary or statutory obligations.

Notwithstanding anything in this deed to the contrary, if the Healthscope Board determines, in good faith, that clause 14.5 does not apply, Healthscope must enter into an Acceptable Confidentiality Deed with the relevant person before taking any action set out in clause 14.5.

## **14.7 Non-public information**

If any non-public information about the business or affairs of the Healthscope Group is provided or made available to any person in connection with an actual, proposed or potential Competing Proposal which has not previously been provided or made available

to Brookfield, Healthscope must promptly, and in any event within 2 Business Days, provide to Brookfield:

- (a) in the case of written materials, a copy of; and
  - (b) in any other case, a written statement of,
- that non-public information.

## 14.8 Notification of approaches

During the Restricted Period, Healthscope must notify Brookfield in writing within two clear Business Days if it, or any of its Related Bodies Corporate or any of their Representatives becomes aware of any:

- (a) proposal whether written or otherwise made to Healthscope or any of its Related Bodies Corporate or their Representatives, in connection with, or in respect of any exploration or consummation of, a Competing Proposal or a proposed or potential Competing Proposal, whether unsolicited or otherwise (and, in that event, provide Brookfield all material details of the proposal, including details of the proposed bidder or acquirer);
- (b) request for non-public information about the business or affairs of the Healthscope Group or any request for access to the books or records of the Healthscope Group, which Healthscope has reasonable grounds to suspect may relate to a Competing Proposal or a proposed or potential Competing Proposal; or
- (c) provision by Healthscope or any of its Related Bodies Corporate or their Representatives of any information relating to Healthscope or any of its Related Bodies Corporate or any of their businesses or operations to any person in connection with or for the purposes of a Competing Proposal or a proposed or potential Competing Proposal.

## 14.9 Brookfield matching right

- (a) During the Restricted Period, before:
  - (1) any Healthscope Group Member enters into any legally binding agreement to give effect to any Competing Proposal; and
  - (2) any Healthscope Board Member changes their recommendation in favour of the Scheme and the Takeover Bid to publicly recommend a Competing Proposal or a proposed or potential Competing Proposal,
 each of the following conditions must be satisfied:
  - (3) the Healthscope Board must, acting in good faith in order to satisfy what the Healthscope Board considers to be its statutory and fiduciary duties (having received written advice from its external legal advisers), determines that the Competing Proposal would be or would likely be a proposed or potential Superior Proposal;
  - (4) Healthscope must provide Brookfield with the terms and conditions of the Competing Proposal, including price and the identity of the third party making the Competing Proposal;
  - (5) Healthscope must give Brookfield until the Matching Date to provide a matching or superior proposal to the terms of the Competing Proposal; and

- (6) Brookfield has not announced a matching or superior proposal to the terms of the Competing Proposal on or before the Matching Date.
- (b) Healthscope agrees that each successive modification of any Competing Proposal will constitute a new Competing Proposal for the purposes of the requirements under clause 14.9(a).
- (c) If, in accordance with clause 14.9(a)(4), Brookfield provides to Healthscope a proposal (**Brookfield Counterproposal**), Healthscope must procure that the Healthscope Board considers the Brookfield Counterproposal and determines whether, acting reasonably and in good faith, the Brookfield Counterproposal would provide an equivalent or superior outcome to Healthscope shareholders as a whole compared with the Competing Proposal. Following that determination, Healthscope must:
  - (1) procure that the Healthscope Board promptly, and in any event within 2 Business Days, notifies Brookfield of the determination in writing, stating reasons for that determination;
  - (2) if the determination is that the Brookfield Counterproposal would provide an equivalent or superior outcome to Healthscope shareholders as a whole compared with the Competing Proposal, then for a period of 2 Business Days after Healthscope delivers to Brookfield the notice referred to in clause 14.9(c)(1), Healthscope and Brookfield must use their best endeavours to agree the transaction documentation required to implement the Brookfield Counterproposal as soon as reasonably practicable; and
  - (3) if the determination is that the Brookfield Counterproposal would not provide an equivalent or superior outcome to Healthscope shareholders as a whole compared with the Competing Proposal, then Brookfield may take steps to amend the Brookfield Counterproposal to address the reasons given within a further period of 2 Business Days. If Brookfield does so to Healthscope's satisfaction, then the process in clause 14.9(c)(2) applies to that amended Brookfield Counterproposal.

## 14.10 Exceptions

Nothing in this clause 14 prevents Healthscope from:

- (a) engaging with its shareholders (in their capacity as a shareholder of Healthscope) in relation to the Healthscope Group, provided that such engagement does not relate to an actual, proposed or potential Competing Proposal;
- (b) continuing to make presentations to, and to respond to enquiries from, brokers, portfolio investors, analysts and institutional lenders in the ordinary course in relation to its business generally; or
- (c) fulfilling its continuous disclosure requirements.

## 15 Break Fee

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### 15.1 Background

- (a) Healthscope Brookfield and BCP, the sole shareholder of Brookfield HoldCo, acknowledge that, having entered into this deed, if neither of the Transactions is



implemented, Brookfield and BCP will incur significant costs, including those set out in clause 15.4.

- (b) In the circumstances referred to in clause 15.1(a), Brookfield and BCP have requested that provision be made for the payments outlined in clause 15.3, without which Brookfield and BCP would not have entered into this deed and Brookfield would not otherwise have agreed to implement the Scheme or make the Takeover Bid.
- (c) Healthscope confirms that the Healthscope Board has acknowledged that:
  - (1) it has received legal advice in relation to this deed and the operation of this clause 15;
  - (2) it believes the implementation of either of the Transactions will provide significant benefits to Healthscope and Healthscope Shareholders, such that it is reasonable and appropriate for Healthscope to agree to the Break Fee in order to secure Brookfield's participation in the Transactions; and
  - (3) the Break Fee represents a genuine and reasonable estimate of cost and loss that would be suffered by Brookfield and BCP if this deed was entered into and neither of the Transactions is subsequently implemented.

## 15.2 Payment by Healthscope

If:

- (a) Brookfield terminates this deed in accordance with clause 18.1(c)(1);
- (b) prior to the earlier of the Second Court Date, the close of the Offer Period and the End Date, any member of the Healthscope Board fails to recommend or withdraws or adversely modifies his or her recommendation that Healthscope Shareholders vote in favour of the Scheme, vote in favour of the Capital Reduction Resolution or accept the Takeover Bid, or makes a public statement indicating that they no longer support the Scheme, the Takeover Bid or the Capital Reduction or any of them, or that they recommend or support a Competing Proposal, other than:
  - (1) in the case of the Scheme, where the Independent Expert opines in the Independent Expert Report's that the Scheme is not or is no longer in the best interests of Scheme Shareholders (other than where the reason for that opinion is a Competing Proposal);
  - (2) in the case of the Capital Reduction Resolution and the Takeover Bid, where the Independent Expert opines in the Independent Expert's Report that the Takeover Bid is not or is no longer fair and reasonable (other than where the reason for that opinion is a Competing Proposal);
  - (3) where there is any matter or thing giving Healthscope the right to terminate under clauses 18.1(a)(1) or 18.1(e); or
  - (4) as a result of a failure of a Scheme Condition or a Takeover Bid Condition that is not waived in accordance with clause 3.3, other than as a result of a breach by Healthscope of clause 3.2; or
- (c) a Competing Proposal is announced prior to the Second Court Date or the end of the Offer Period and, within 9 months of the date of such announcement, the person announcing or making the Competing Proposal or any Affiliate or associate of that person:

- (1) completes a Competing Proposal of the kind referred to in any of the paragraphs 2, 3 or 4 of the definition of Competing Proposal;
- (2) acquires a Relevant Interest in, or becomes the holder of, or otherwise acquires, directly or indirectly, 50% or more of Healthscope Shares and that acquisition is unconditional;
- (3) acquires or becomes the holder of, or otherwise, acquires an economic interest in all or a substantial part of the business of Healthscope and its subsidiaries;
- (4) acquires control (as determined in accordance with section 50AA of the Corporations Act, disregarding sub-section 50AA(4)) of Healthscope or any Healthscope Group Member that controls, directly or indirectly, all or a substantial part of the business of Healthscope and its subsidiaries; or
- (5) otherwise acquires or merges with Healthscope,

then Healthscope must pay BCP the Break Fee in accordance with clause 15.3.

### 15.3 Satisfaction of payment obligation

- (a) Healthscope must pay BCP the amount claimed under clause 15.2 within 10 Business Days after receipt by Healthscope of a demand for payment from BCP unless a finding has been made by a court or Takeovers Panel as described in clause 15.5(c) in which case the amount payable shall be reduced to the amount which either the Takeovers Panel or a court determines does not constitute unacceptable circumstances or is enforceable (as applicable).
- (b) Healthscope's obligation to make the payment referred to in clause 15.3(a) will be satisfied by the payment of the relevant amount in immediately available funds to the account nominated by BCP for the purposes of this clause.

### 15.4 Nature of payment

The amount payable by Healthscope under clause 15.3 is intended to be an amount to compensate BCP and Brookfield for:

- (a) advisory costs (including costs of advisors other than success fees);
- (b) costs of management and directors' time;
- (c) out-of-pocket expenses;
- (d) the distraction of BCP and Brookfield's management from conducting BCP and Brookfield's business as usual caused by pursuing the Transactions;
- (e) the opportunity costs incurred by BCP and Brookfield in pursuing the Transactions or in not pursuing other alternative acquisitions or strategic initiatives which BCP or Brookfield could have developed to further their business and objectives; and
- (f) damage to BCP or Brookfield's reputation associated with a failed transaction and the implications of that damage to BCP or Brookfield's business.

### 15.5 Qualifications

- (a) No amount shall be payable by Healthscope under this clause 15 if:
  - (1) the Scheme becomes Effective; or



- (2) Brookfield becomes the holder of not less than 50.1% of Healthscope Shares (on a fully diluted basis) before the End Date and the Offer has been declared or becomes unconditional,

notwithstanding the occurrence of any event in clause 15.2.
- (b) To the extent that any amounts have already been paid under this clause 15 and:
  - (1) the Scheme becomes Effective; or
  - (2) Brookfield becomes the holder of not less than 50.1% of Healthscope Shares (on a fully diluted basis) before the End Date and the Offer has been declared or becomes unconditional,

such amounts shall be refunded to Healthscope within 10 Business Days after receipt by BCP or Brookfield of a demand for payment from Healthscope.
- (c) This clause 15 does not impose an obligation on Healthscope to pay all or any part of the Break Fee to the extent (and only to the extent) that the obligation to pay the amount:
  - (1) constitutes unacceptable circumstances as declared by the Takeovers Panel; or
  - (2) is held to be unenforceable by one party against the other as determined by a court,

after all proper avenues of appeal and review, whether judicial or otherwise, have been exhausted. The parties must take all reasonable steps to ensure that any such determination applies to the minimum extent possible. Where the Takeovers Panel or a court determines that an amount lower than the Break Fee does not constitute unacceptable circumstances or is not unenforceable (as applicable) Healthscope shall be required to pay such lower amount.
- (d) The parties:
  - (1) must not make or cause or permit to be made, any application to a court or the Takeovers Panel for or in relation to a determination or declaration referred to in clause 15.5(c); and
  - (2) agree that if a third party makes an application to the Takeovers Panel or a court for or in relation to a declaration or determination regarding any provision of this clause 15, then it will make submissions in the course of those proceedings supporting to the fullest extent reasonably practicable that no such declaration or determination should be made.
- (e) Healthscope must not request or propose a waiver of any provision of this clause 15.

## 15.6 Other claims

- (a) Subject to clause 15.6(b), the maximum aggregate amount which Healthscope is required to pay in relation to this deed (including any breach of this deed by Healthscope) is the Break Fee and in no event will the aggregate liability of Healthscope under or in connection with this deed exceed the Break Fee.
- (b) Clause 15.6(a) does not apply to a breach of clause 14.3.

## 15.7 Exclusive remedy

- (a) Subject to clause 15.7(b), notwithstanding any other provision under this deed, where the Break Fee is paid to Brookfield or BCP under this deed, neither BCP nor Brookfield can make any claim against Healthscope or the other Healthscope Indemnified Parties in relation to any event or occurrence referred to in clauses 15.2(a), 15.2(b) or 15.2(c).
- (b) Clause 15.7(a) does not apply to a breach of clause 14.3 or any application to a court or claim for specific performance or injunctive relief.

## 16 Reverse Break Fee

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### 16.1 Background

- (a) Healthscope and Brookfield acknowledge that, having entered into this deed, if neither of the Transactions is implemented, Healthscope will incur significant losses and costs, including:
  - (1) advisory costs;
  - (2) costs of management and directors' time;
  - (3) out-of-pocket expenses;
  - (4) the distraction of Healthscope's management from conducting Healthscope's business as usual caused by pursuing the Transactions;
  - (5) the opportunity costs incurred by Healthscope in pursuing the Transactions or in not pursuing other alternative acquisitions or strategic initiatives which Healthscope could have developed to further its business and objectives; and
  - (6) damage to Healthscope's reputation associated with a failed transaction and the implications of that damage to Healthscope's business.
- (b) In the circumstances referred to in clause 16.1(a), Healthscope has requested that provision be made for the payments outlined in clause 16.3, without which Healthscope would not have entered into this deed.
- (c) Brookfield acknowledges that:
  - (1) it has received legal advice in relation to this deed and the operation of this clause 16;
  - (2) it believes the implementation of either of the Transactions will provide significant benefits to Brookfield, such that it is reasonable and appropriate for Brookfield to agree to the Reverse Break Fee in order to secure Healthscope's participation in the Transactions;
  - (3) the Reverse Break Fee is intended to compensate Healthscope for those losses and costs contemplated by clause 16.1(a), which the parties agree are inherently difficult to quantify; and
  - (4) that a genuine pre-estimate of the losses and costs contemplated by clause 16.1(a) would equal or exceed the Reverse Break Fee.

- (d) The parties must not make or cause or permit to be made any application to a court for a determination that the Reverse Break Fee is invalid or unenforceable.

## 16.2 Payment by Brookfield to Healthscope

- (a) Brookfield agrees to pay to Healthscope the Reverse Break Fee if:
  - (1) Healthscope terminates this deed in accordance with clause 18.1(a)(1); or
  - (2) this deed is terminated in accordance with clause 3.5(b) following the failure to satisfy or waive the Condition in clause 3.1(b) (FIRB Approval (Property Transaction)) by the End Date,

provided that if such termination occurs after the Scheme Meeting the Reverse Break Fee is only payable if at the end of the Offer Period (or in the case of the condition in clause 1.7(d) (No Prescribed Occurrences) of Schedule 1 of this deed, at the end of the third Business Day after the end of the Offer Period), the Takeover Bid Conditions have not been fulfilled and Brookfield has not declared the Offer (or it has not become) free from those conditions.
- (b) The Reverse Break Fee is payable only once, even if multiple events occur that would entitle Healthscope to make a demand.

## 16.3 Satisfaction of payment obligation

- (a) Brookfield must pay Healthscope the amount claimed under clause 16.2 within 10 Business Days after receipt by Brookfield of a demand for payment from Healthscope.
- (b) Brookfield's obligation to make the payment referred to in clause 16.3(a) will be satisfied by the payment of the relevant amount in immediately available funds to the account nominated in writing by Healthscope for the purposes of this clause. The account nomination must occur at least 3 Business Days prior to the due date for payment.

## 16.4 Exclusive remedy

- (a) Notwithstanding any other provision of this deed, where the Reverse Break Fee is paid to Healthscope under this deed, Healthscope cannot make any claim against Brookfield or the other Brookfield Indemnified Parties in relation to any event or occurrence referred to in clause 16.2(a).
- (b) To avoid doubt, nothing in this clause limits the liability of Brookfield or any other Brookfield Indemnified Party under the Deed Poll, the Equity Commitment Letter or at law.

# 17 Conduct of Court proceedings

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- (a) Healthscope and Brookfield are entitled to separate representation at all Court proceedings affecting the Transactions.

- (b) This deed does not give Healthscope or Brookfield any right or power to give undertakings to the Court for or on behalf of the other party without that party's written consent.
- (c) Healthscope and Brookfield must give all undertakings to the Court in all Court proceedings which are reasonably required to obtain Court approval and confirmation of the Transactions as contemplated by this deed.

## 18 Termination

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### 18.1 Termination

- (a) Without prejudice to any other rights of termination under this deed, Healthscope may terminate this deed by written notice to Brookfield at any time before the close of the Offer Period, if:
  - (1) Brookfield is in breach of this deed (including a breach of a Brookfield Representation and Warranty under clause 9) and:
    - (A) that breach is material;
    - (B) Healthscope has given written notice to Brookfield setting out the breach and stating an intention to terminate this deed if the breach is not remedied; and
    - (C) the breach is not remedied by Brookfield to Healthscope's reasonable satisfaction within 15 Business Days (or any shorter period ending on the Second Court Date) from the time the notice is given in accordance with clause 18.1(a)(1)(B);
  - or
  - (2) a majority of the Healthscope Board change or withdraw their recommendation to Healthscope Shareholders to vote in favour of the Scheme or the Capital Reduction Resolution, accept the Offer or recommend a Superior Proposal in accordance with this deed.
- (b) For the purposes of clause 18.1(a)(1), any breach of clauses 6.4(e) or 8.4(j) or the Brookfield Representations and Warranties set out in paragraphs (m) to (q) of Schedule 3 will, without limitation, be considered 'material'.
- (c) Without prejudice to any other rights of termination under this deed, Brookfield may terminate this deed by written notice to Healthscope at any time before the close of the Offer Period if:
  - (1) Healthscope is in breach of this deed (including a breach of a Healthscope Representation and Warranty under clause 9) and:
    - (A) that breach is material;
    - (B) Brookfield has given written notice to Healthscope setting out the breach and stating an intention to terminate this deed if the breach is not remedied; and
    - (C) the breach is not remedied by Healthscope to Brookfield's reasonable satisfaction within 15 Business Days (or any shorter period ending on the Second Court Date) from the time the notice is given in accordance with sub-paragraph (B); or

- (2) a member of the Healthscope Board:
  - (A) fails to recommend to Healthscope Shareholders to vote in favour of the Scheme or the Capital Reduction Resolution;
  - (B) withdraws or adversely modifies their recommendation to Healthscope Shareholders to vote in favour of the Scheme or the Capital Reduction Resolution;
  - (C) fails to recommend to Healthscope Shareholders to accept the Offer to be made to them under the Takeover Bid;
  - (D) withdraws or adversely modifies their recommendation to Healthscope Shareholders to accept the Offer to be made to them under the Takeover Bid;
  - (E) makes a public statement indicating they no longer support the Scheme, Takeover Bid or the Capital Reduction or any of them; or
  - (F) recommends or supports a Competing Proposal,
 for any reason and whether or not permitted to do so under this deed;
- (3) Healthscope repudiates the Property Transaction Documents or any Replacement Property Transaction Documents;
- (4) the Property Investor lawfully terminates the Property Transaction Documents as a result of a breach or default by any Healthscope Group Member; or
- (5) any person (other than a Healthscope Group Member) lawfully terminates any Replacement Property Transaction Documents as a result of a breach or default by any Healthscope Group Member.
- (d) Without prejudice to the materiality of a breach of any other clauses, the parties agree that for the purposes of clause 18.1(c)(1), any breach of clause 8.4 or 14 will be considered 'material'.
- (e) Without prejudice to any other rights of termination under this deed, either party may terminate this deed by written notice to the other party at any time if:
  - (1) the Effective Date for the Scheme has not occurred, or will not occur, on or before the End Date; and
  - (2) Brookfield withdraws the Takeover Bid or the Takeover Bid lapses for any reason, including non-satisfaction of a Takeover Bid Condition.
- (f) A statement that shareholders should 'take no action pending further advice' (or words to that effect) is not regarded as an adverse modification of a recommendation for the purposes of this clause 18.1, provided the Healthscope Board publicly re-affirms its recommendation in favour of the Transactions as soon as reasonably practicable and in any event at least 5 Business days before the earlier of the date the Scheme is considered by Healthscope Shareholders, the close of the Offer Period and the End Date.

## 18.2 Effect of termination

If this deed is terminated by either party under clauses 3.5 or 18.1, except to the extent that the termination results from a breach by either party of its obligations under this deed, this deed will become void and have no effect, without any liability or obligation on the part of any party, other than in relation to rights and obligations that accrued prior to termination and other than in relation to the provisions of this clause 18 and of clauses



2.4 (Brookfield may nominate a Subsidiary), 9 (Representations and warranties), 12 (Confidentiality), 13 (Process Deed), 16 (Reverse Break Fee), 19 (Duty, costs and expenses), 20 (GST) and 21 (General), which will remain in force after termination.

### 18.3 Remedies

The parties acknowledge that damages may not be a sufficient remedy for breach of this deed. Specific performance, injunctive relief or any other remedies which would otherwise be available in equity or law are available as a remedy for a breach or threatened breach of this deed by any party, notwithstanding the ability of any party to terminate this deed or seek damages for such a breach or threatened breach or, in the case of Brookfield, to demand payment of the Break Fee. This clause is not intended to, and does not, limit the operation of clauses 15.6 or 15.7.

## 19 Duty, costs, expenses and withholding

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### 19.1 Stamp duty

Brookfield must pay all stamp duties and any fines and penalties with respect to stamp duty in respect of this deed, the Scheme or the Takeover Bid or the steps to be taken under this deed, the Scheme or the Takeover Bid. For the avoidance of doubt, this does not require Brookfield to pay any stamp duties, fines and penalties that other parties have agreed to pay or are otherwise responsible for under the Property Transaction Documents.

### 19.2 Costs and expenses

Except as otherwise provided in this deed, each party must pay its own costs and expenses in connection with the negotiation, preparation, execution and performance of this deed and the proposed, attempted or actual implementation of this deed and the Transactions.

### 19.3 Withholding tax

- (a) Healthscope must withhold any amounts required by law to be withheld from the Permitted Dividend determined in accordance with clause 8.1 or the Dividend determined in accordance with clause 8.4(f), payable to Healthscope Shareholders (without gross-up of any kind).
- (b) If Brookfield is required by Subdivision 14-D of Schedule 1 of the *Taxation Administration Act 1953* (Cth) (**Subdivision 14-D**) to pay amounts to the ATO in respect of the acquisition of Healthscope Shares from certain Scheme Shareholders, Brookfield is permitted to deduct the relevant amounts from the payment of the Scheme Consideration to those Scheme Shareholders, and remit such amounts to the ATO. The aggregate sum payable to Scheme Shareholders shall not be increased to reflect the deduction and the net aggregate sum payable to those Scheme Shareholders shall be taken to be in full and final satisfaction of the amounts owing to those Scheme Shareholders.
- (c) Healthscope agrees that Brookfield may approach the ATO to obtain clarification as to the application of Subdivision 14-D to the Transactions and will provide all information and assistance that Brookfield reasonably requires in making that approach. Brookfield agrees:

- (1) to provide Healthscope a reasonable opportunity to review the form and content of all materials to be provided to the ATO, to take into account Healthscope's comments on those documents and more generally in relation to Brookfield's engagement with the ATO and to participate in any discussions and correspondence between Brookfield and the ATO in connection with the application of Subdivision 14-D to the Transactions; and
- (2) not to contact any Healthscope Shareholders in connection with the application of Subdivision 14-D to the Transactions without Healthscope's prior written consent.
- (d) The parties agree to consult in good faith as to the application of Subdivision 14-D, including taking into account any clarification provided by the ATO following the process mentioned in clause 19.3(c). The parties agree to take all actions that they agree (each acting reasonably) are necessary or desirable following that consultation which may include, without limitation, making amendments to this deed, the Scheme and the Deed Poll to ensure that relevant representations are obtained from Scheme Shareholders.

## 20 GST

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- (a) Any consideration or amount payable under this deed, including any non-monetary consideration (as reduced in accordance with clause 20(e) if required) (**Consideration**) is exclusive of GST.
- (b) If GST is or becomes payable on a Supply made under or in connection with this deed, an additional amount (**Additional Amount**) is payable by the party providing consideration for the Supply (**Recipient**) equal to the amount of GST payable on that Supply as calculated by the party making the Supply (**Supplier**) in accordance with the GST Law.
- (c) The Additional Amount payable under clause 20(b) is payable at the same time and in the same manner as the Consideration for the Supply, and the Supplier must provide the Recipient with a Tax Invoice. However, the Additional Amount is only payable on receipt of a valid Tax Invoice.
- (d) If for any reason (including the occurrence of an Adjustment Event) the amount of GST payable on a Supply (taking into account any Decreasing or Increasing Adjustments in relation to the Supply) varies from the Additional Amount payable by the Recipient under clause 20(b):
  - (1) the Supplier must provide a refund or credit to the Recipient, or the Recipient must pay a further amount to the Supplier, as appropriate;
  - (2) the refund, credit or further amount (as the case may be) will be calculated by the Supplier in accordance with the GST Law; and
  - (3) the Supplier must notify the Recipient of the refund, credit or further amount within 14 days after becoming aware of the variation to the amount of GST payable. Any refund or credit must accompany such notification or the Recipient must pay any further amount within 7 days after receiving such notification, as appropriate. If there is an Adjustment Event in relation to the Supply, the requirement for the Supplier to notify the Recipient will be satisfied by the Supplier issuing to the Recipient an Adjustment Note within 14 days after becoming aware of the occurrence of the Adjustment Event.



- (e) Despite any other provision in this deed:
  - (1) if an amount payable under or in connection with this deed (whether by way of reimbursement, indemnity or otherwise) is calculated by reference to an amount incurred by a party, whether by way of cost, expense, outlay, disbursement or otherwise (**Amount Incurred**), the amount payable must be reduced by the amount of any Input Tax Credit to which that party is entitled in respect of that Amount Incurred; and
  - (2) no Additional Amount is payable under clause 20(b) in respect of a Supply to which s 84-5 of the GST Law applies.
- (f) Any reference in this clause to an Input Tax Credit to which a party is entitled includes an Input Tax Credit arising from a Creditable Acquisition by that party but to which the Representative Member of a GST Group of which the party is a member is entitled.
- (g) Any term starting with a capital letter that is not defined in this deed has the same meaning as the term has in the *A New Tax System (Goods & Services Tax) Act 1999* (Cth).

## 21 General

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### 21.1 No representation or reliance

- (a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this deed, except for representations or inducements expressly set out in this deed and (to the maximum extent permitted by law) all other representations, warranties and conditions implied by statute or otherwise in relation to any matter relating to this deed, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.
- (b) Each party acknowledges and confirms that it does not enter into this deed in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this deed.
- (c) Each party acknowledges and confirms that clauses 21.1(a) and 21.1(b) do not prejudice any rights a party may have in relation to information which has been filed by the other party with ASIC or the ASX.

### 21.2 No merger

The rights and obligations of the parties do not merge on completion of the Transaction. They survive the execution and delivery of any assignment or other document entered into for the purpose of implementing the Transaction.

### 21.3 Consents and approvals

Unless this deed expressly states otherwise, a party may exercise a right, power or remedy or give or refuse its consent, approval or a waiver in connection with this deed in its absolute discretion (including by imposing conditions).



## 21.4 Notices

Any communication under or in connection with this deed:

- (a) must be in legible writing;
- (b) must be addressed as shown below:

Party	Address	Addressee	Email
Healthscope	Level 1, 312 St Kilda Road, Melbourne VIC 3004, Australia	Ingrid Player	ingrid.player@healthscope.com.au
Brookfield	Level 22, 135 King Street, Sydney NSW 2000	Mandy Chiang	mandy.chiang@brookfield.com

- (or as otherwise notified by that party to the other party from time to time);
- (c) must be signed by the party making the communication or by a person duly authorised by that party;
- (d) must be delivered to the address, or sent by email to the email address, of the addressee, in accordance with clause 21.4(b); and
- (e) is regarded as received by the addressee:
  - (1) if emailed, when a delivery confirmation report is received by the sender which records the time that email was delivered to the addressee's email address (unless the sender receives a delivery failure notification indicating that the email has not been delivered to the addressee), unless it is not a Business Day, or is after 4.00pm on a Business Day, then that communication will be regarded as received at 9.00am on the next Business Day; and
  - (2) if delivered by hand, on delivery at the address of the addressee as provided in clause 21.4(b), unless delivery is not made on a Business Day, or after 5.00pm on a Business Day, then that communication will be regarded as received at 9.00am on the next Business Day.

## 21.5 Governing law and jurisdiction

- (a) This deed is governed by the laws of Victoria, Australia.
- (b) Each party irrevocably submits to the exclusive jurisdiction of the courts of Victoria, Australia and courts competent to hear appeals from those courts.

## 21.6 Waivers

- (a) Failure to exercise or enforce, a delay in exercising or enforcing, or the partial exercise or enforcement of any right, power or remedy provided by law or under this deed by any party does not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed.



- (b) Any waiver or consent given by any party under this deed is only effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of any term of this deed operates as a waiver of another breach of that term or of a breach of any other term of this deed.

## **21.7 Variation**

This deed may only be varied by a document signed by or on behalf of each of the parties.

## **21.8 Assignment**

- (a) Except as provided in clause 21.8(b), a party may not assign, novate or otherwise transfer any of its rights or obligations under this deed without the prior written consent of the other party.
- (b) Notwithstanding any other provision of this deed, Brookfield's rights under this document may be encumbered by way of security (whether by charge, mortgage or otherwise) for the benefit of each financial institution or group of financial institutions, bank or other provider of finance, including any agent or trustee acting on behalf of any of the foregoing, with which:
  - (1) Brookfield;
  - (2) any Affiliate of Brookfield; or
  - (3) following:
    - (A) the Implementation Date; or
    - (B) the date on which the Offer is declared or becomes unconditional,any Healthscope Group Member,  
incurs financial indebtedness from time to time, and any such security may be enforced or released.

## **21.9 Invalidity and enforceability**

- (a) If any provision of this deed is invalid under the law of any jurisdiction, the provision is enforceable in that jurisdiction to the extent that it is not invalid, whether it is in severable terms or not.
- (b) Clause 21.9(a) does not apply where enforcement of the provision of this deed in accordance with clause 21.9(a) would materially affect the nature or effect of the parties' obligations under this deed.

## **21.10 Further action**

Each party will do all things and execute all further documents necessary to give full effect to this deed.

## **21.11 Entire agreement**

This deed supersedes all previous agreements, understandings, negotiations or deeds (other than the Confidentiality Deed and the Process Deed) in respect of its subject matter and it, and the Confidentiality Deed embodies the entire agreement between the parties.



## **21.12 Counterparts**

This deed may be executed in any number of counterparts. All counterparts, taken together, constitute one instrument. A party may execute this deed by signing any counterpart.

## Schedule 1

### Takeover Bid Terms

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#### 1.1 The Offer

- (a) Brookfield will offer to acquire all (but not some only) of the Healthscope Shares on and subject to the terms and conditions set out in this Schedule 1.
- (b) The consideration under the Offer will be the \$2.365 cash for each Healthscope Share, provided that if:
  - (1) the Healthscope Shareholder who accepted the Offer has (or any previous holder of the relevant Healthscope Share has) received the Dividend or Capital Reduction; or
  - (2) the Healthscope Shareholder who accepted the Offer is (or any previous holder of the relevant Healthscope Share is) entitled to receive the Dividend or Capital Reduction under the terms that provide for or otherwise apply to the Dividend or Capital Reduction (for example, in the case of the Dividend, if the Healthscope Shareholder is (or any previous holder of the relevant Healthscope Shares is) the registered holder of the Healthscope Share at the Dividend Record Date) and all of the conditions to the payment of the Dividend or Capital Reduction (as applicable) have been satisfied,

then Brookfield may deduct the amount of the Dividend and Capital Reduction (as applicable) from any consideration otherwise payable to the Healthscope Shareholder who accepted the Offer.
- (c) By accepting the Offer, each Healthscope Shareholder will undertake to transfer to Brookfield not only the Healthscope Shares to which the Offer relates, but also all Rights (excluding those Rights for which a deduction has been made under clause 1.1(b) of this Schedule 1) attached to those Healthscope Shares.
- (d) The Offer will be made to each person registered as the holder of Healthscope Shares in the Share Register at open of business (Melbourne time) on the Register Date. It will also extend to:
  - (1) holders of securities that come to be Healthscope Shareholders during the period from the Register Date to the end of the Offer Period due to the conversion of, or exercise of rights conferred by, such securities and which are on issue as at the Register Date; and
  - (2) any person who becomes registered as the holder of Healthscope Shares during the Offer Period.
- (e) The Offer will be dated in accordance with the Timetable.

#### 1.2 Offer Period

- (a) Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of the Offer and ending at 7.00pm (Melbourne time) on the later of:
  - (1) the date set pursuant to the Timetable; or

- (2) any date to which the Offer Period is extended.
- (b) Despite anything else in this Schedule 1:
  - (1) the Offer Period must not expire prior to the date that is 20 Business Days after the date of the Scheme Meeting; and
  - (2) Brookfield must not extend the Offer Period to a date that is more than 3 months after the date of the Scheme Meeting without the prior written consent of Healthscope, provided that no extension of the Offer Period is permitted after this deed has been terminated.

### 1.3 How the Offer will be accepted

- (a) A Healthscope Shareholder will be required to accept the Offer for all (but not some only) of their Healthscope Shares.
- (b) A Healthscope Shareholder will be allowed to accept the Offer at any time during the Offer Period.
- (c) Brookfield may establish an institutional acceptance facility to facilitate the acceptance of the Offer by institutional shareholders of Healthscope.

### 1.4 Validity of acceptances

- (a) Brookfield will be entitled to determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. The determination of Brookfield will be final and binding on all parties.
- (b) Brookfield will be entitled, in its sole discretion, at any time and without further communication to Healthscope Shareholders, to deem any Acceptance Form it receives to be a valid acceptance in respect of Healthscope Shares, even if a requirement for acceptance has not been complied with but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Brookfield.
- (c) Where a Healthscope Shareholder satisfies the requirements for acceptance in respect of only some of its Healthscope Shares, Brookfield will be entitled, in its sole discretion, to regard the Offer to be accepted in respect of those Healthscope Shares but not the remainder.

### 1.5 The effect of acceptance

Healthscope Shareholders who have accepted the Offer will be able to revoke their acceptance at any time until the Takeover Bid Condition in clause 1.7(a) (FIRB Approval) (Takeover Bid) has been satisfied or waived in accordance with this deed and the Corporations Act. When the Takeover Bid Condition in clause 1.7(a) (FIRB Approval) (Takeover Bid) has been satisfied or waived, a Healthscope Shareholder that has accepted the Offer will be unable to revoke its acceptance and the contract resulting from their acceptance will be binding on them and they will be unable to withdraw their Healthscope Shares from the Offer or otherwise dispose of their Healthscope Shares, except as permitted under the Corporations Act.

### 1.6 Payment of consideration

Brookfield will provide the consideration due to Healthscope Shareholders for their Healthscope Shares within the time required under the Corporations Act.

## 1.7 Takeover Bid Conditions

Subject to clause 1.8 of this Schedule 1, the completion of the Takeover Bid and any contract that results from an acceptance of an Offer will be subject to each of the following conditions (and no other defeating conditions):

- (a) **FIRB Approval (Takeover Bid):** before the end of the Offer Period, one of the following has occurred:
  - (1) Brookfield has received written notice under the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (**FATA**), by or on behalf of the Treasurer of the Commonwealth of Australia (**Treasurer**), advising that the Commonwealth Government has no objections to the Takeover Bid, either unconditionally or on conditions that Brookfield reasonably considers to be acceptable; or
  - (2) the Treasurer becomes precluded by passage of time from making an order in relation to the Takeover Bid under the FATA and the Takeover Bid is not prohibited by section 82 of the FATA; or
  - (3) where an interim order is made under the FATA in respect of the Takeover Bid, the subsequent period for making a final order prohibiting the Scheme elapses without a final order being made;
- (b) **FIRB Approval (Property Transaction):** in the case of each of NWH Australia AssetCo Pty Ltd ACN 617 449 948 as trustee of the NWH Australia Asset Trust and MPT Operating Partnership, L.P., and provided that the relevant Property Transaction Documents between Healthscope and such person (or an Affiliate of such person) has not been terminated, before the end of the Offer Period, one of the following has occurred:
  - (1) in respect of the relevant Property Investor's application for approval under the FATA, the day that is 10 days after the end of the decision period specified in section 77 of FATA passes without an order prohibiting the acquisition of the properties by the buyer under the applicable Property Transaction Documents having been made under section 67 or section 68 of the FATA; or
  - (2) if an interim order is made under section 68 of the FATA in respect of the relevant Property Investor's application for approval under the FATA, the end of the period specified in the order passes without an order prohibiting the acquisition of the properties by the buyer under the applicable Property Transaction Documents under section 67 of FATA having been made; or
  - (3) a no objection notification is given by the Treasurer (or the Treasurer's delegate) under Division 3, Subdivision B of the FATA in respect of the acquisition of the properties by the Buyer under the applicable Property Transaction Documents, with such notification being unconditional or subject only to conditions which are acceptable to the relevant Property Investor acting reasonably;
- (c) **OIO:** Brookfield has received all consents required under the *Overseas Investment Act 2005* (NZ) and the *Overseas Investment Regulations 2005* (NZ) for the implementation of the Takeover Bid either unconditionally or on conditions that Brookfield reasonably considers to be acceptable and such consents have not been withdrawn, suspended or revoked before the end of the Offer Period;
- (d) **No Prescribed Occurrence:** no Prescribed Occurrence occurs between (and including) the date of this deed and the end of the Offer Period;

- (e) **Restraints:** no restraining order, injunction or other order that would prevent or delay the Takeover Bid made by a court of competent jurisdiction or Government Agency in Australia or New Zealand on the application of a Government Agency in one of those jurisdictions is in effect at the end of the Offer Period;
- (f) **Scheme fails:** either:
  - (1) the Scheme is not approved at the Scheme Meeting by the requisite majority of Healthscope Shareholders under subparagraph 411(4)(a)(ii)(B) of the Corporations Act; or
  - (2) following the approval of the Scheme at the Scheme Meeting by the requisite majority of Healthscope Shareholders under subparagraph 411(4)(a)(ii)(B) of the Corporations Act, the Court does not approve the Scheme in accordance with section 411(4)(b) of the Corporations Act;
- (g) **minimum acceptance:** at the end of the Offer Period, Brookfield has a Relevant Interest in at least 50.1% of the Healthscope Shares (on a fully diluted basis);
- (h) **No Material Adverse Change:** no Material Adverse Change occurs, or is reasonably likely to occur, or is discovered, announced, disclosed or otherwise becomes known to Brookfield between (and including) the date of this deed and the end of the Offer Period;
- (i) **Healthscope Representations and Warranties:** the Healthscope Representations and Warranties are accurate and not misleading at all times between (and including) the date of this deed and the end of the Offer Period; and
- (j) **General Meeting:** Healthscope having convened the General Meeting in accordance with clause 8.4(h) and Healthscope's constitution.

## 1.8 Nature and waiver of Takeover Bid Conditions

- (a) Each of the Takeover Bid Conditions apart from the condition in clause 1.7(a) (FIRB Approval) (Scheme) will be conditions subsequent. The non-fulfilment of any condition subsequent does not, until the end of the Offer Period (or in the case of the condition in clause 1.7(d) (No Prescribed Occurrence) of this Schedule 1, until the end of the third Business Day after the end of the Offer Period), prevent a contract to sell Healthscope Shares from arising, but will entitle Brookfield by written notice to Healthscope Shareholders, to rescind the contract resulting from Healthscope Shareholders' acceptance of the Offer.
- (b) The Takeover Bid Condition in clause 1.7(a) (FIRB Approval) (Takeover Bid) is a condition precedent to the acquisition of any interest in Healthscope Shares and will prevent a contract to sell Healthscope Shares from arising until it is satisfied or waived in accordance with this deed and the Corporations Act. Notwithstanding the acceptance of the Offer by a Healthscope Shareholder, unless and until the condition in that clause is fulfilled:
  - (1) no contract for the sale of the Healthscope Shares will come into force or be binding on the Healthscope Shareholder or on Brookfield; and
  - (2) Brookfield will have no rights (conditional or otherwise) in relation to the Healthscope Shares.
- (c) Subject to the Corporations Act and clause 1.8(d) of this Schedule 1, Brookfield may declare the Takeover Bid to be free from any Takeover Bid Condition by

giving written notice to Healthscope declaring the Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act. This notice may be given:

- (3) in the case of the condition in clause 1.7(d) (No Prescribed Occurrence) of this Schedule 1, not later than 3 business days after the end of the Offer Period; and
- (4) in the case of all the other conditions in clause 1.7 of this Schedule 1, not less than 7 days before the end of the Offer Period.
- (d) The Takeover Bid Conditions in clause 1.7(f) (Scheme fails) and 1.7(g) (minimum acceptance) of this Schedule 1 may only be waived by Brookfield with the prior written consent of Healthscope (in its absolute discretion) in writing.
- (e) If a Scheme Condition is waived or satisfied, Brookfield must declare the Takeover Bid free from the corresponding Takeover Bid Condition.
- (f) If, at the end of the Offer Period (or in the case of the condition in clause 1.7(d) (No Prescribed Occurrence) of this Schedule 1, at the end of the third Business Day after the end of the Offer Period), the Takeover Bid Conditions have not been fulfilled and Brookfield has not declared the Offer (or it has not become) free from those conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

## 1.9 Withdrawal of the Offer

- (a) Brookfield will be entitled to withdraw the Offer with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, Brookfield will give notice of the withdrawal to the ASX and to Healthscope and will comply with any other conditions imposed by ASIC.
- (b) If, at the time the Offer is withdrawn, all the Takeover Bid Conditions have been freed, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.
- (c) If, at the time the Offer is withdrawn, the Offer remains subject to one or more of the Takeover Bid Conditions, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).
- (d) A withdrawal pursuant to this clause 1.9 of this Schedule 1 will be deemed to take effect:
  - (1) if the withdrawal is not subject to conditions imposed by ASIC, on and after the date on which that consent in writing is given by ASIC; or
  - (2) if the withdrawal is subject to conditions imposed by ASIC, on and after the date on which those conditions are satisfied.

## 1.10 Notice on status of conditions

The date for giving the notice on the status of the conditions required by section 630(1) of the Corporations Act will be determined in accordance with the Timetable (subject to extension in accordance with section 630(2) of the Corporations Act if the Offer Period is extended).

## 1.11 Variation of the Offer

Brookfield will be entitled to vary the Offer in accordance with the Corporations Act.

## 1.12 Power of attorney

- (a) Immediately upon the Offer being declared or becoming unconditional and until Healthscope registers Brookfield as the holder of the relevant Healthscope Shares in the Share Register, each Healthscope Shareholder that has accepted the Offer:
  - (1) is deemed to have appointed Brookfield as attorney and agent (and directed Brookfield in each such capacity) to appoint any director, officer, secretary or agent nominated by Brookfield as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the relevant Healthscope Shares registered in their name and sign any shareholders' resolution or document;
  - (2) must not attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 1.12(a)(1));
  - (3) must take all other actions in the capacity of a registered holder of the relevant Healthscope Shares as Brookfield reasonably directs; and
  - (4) acknowledges and agrees that in exercising the powers referred to in clause 1.12(a)(1)), Brookfield and any director, officer, secretary or agent nominated by Brookfield under clause 1.12(a)(1)) may act in the best interests of Brookfield as the intended registered holder of the relevant Healthscope Shares.
- (b) Immediately upon Brookfield obtaining a Relevant Interest in at least 50.1% of the Healthscope Shares (on a fully diluted basis) and until Healthscope registers Brookfield as the holder of the relevant Healthscope Shares in the Share Register, each Healthscope Shareholder that has accepted the Offer:
  - (1) is deemed to have appointed Brookfield as attorney and agent (and directed Brookfield in each such capacity) to appoint any director, officer, secretary or agent nominated by Brookfield as its sole proxy and, where applicable or appropriate, corporate representative to attend the General Meeting, exercise the votes attaching to the relevant Healthscope Shares at the General Meeting (including by voting in favour of the Capital Reduction Resolution (in person, by proxy or by corporate representative)) and sign any shareholders' resolution, proxy form or other related document;
  - (2) must not attend or vote at the General Meeting or sign any resolutions related to the Capital Reduction Resolution, whether in person, by proxy or by corporate representative (other than pursuant to clause 1.12(a)(1)); and
  - (3) acknowledges and agrees that in exercising the powers referred to in clause 1.12(b)(1)), Brookfield and any director, officer, secretary or agent nominated by Brookfield under clause 1.12(b)(1)) may act in the best interests of Brookfield.



### **1.13 Stamp duty**

Brookfield will pay any stamp duty on the transfer of Healthscope Shares.

### **1.14 Governing law**

The Offer and any contract that results from an acceptance of the Offer will be governed by the laws in force in Victoria, Australia.

## Schedule 2

### Healthscope Representations and Warranties

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Healthscope represents and warrants to Brookfield that:

- (a) **Information in Relevant Documents:** the information contained in each Relevant Document for which Healthscope will be described as responsible in that Relevant Document in accordance with clause 5.6 as at the date the Relevant Document is despatched to Healthscope Shareholders:
  - (1) has been prepared and included in the Relevant Document in good faith; and
  - (2) complies in all material respects with the requirements of the Corporations Act, Corporations Regulations, Listing Rules and relevant ASIC regulatory guides (as applicable);
- (b) **Information provided to the Independent Expert:** all information provided by Healthscope to the Independent Expert, as at the date that information is provided, has been provided in good faith and on the understanding that, to the extent accepted by the Independent Expert, the Independent Expert will rely on that information for the purpose of preparing its report for inclusion in the Scheme Booklet and the Target's Statement;
- (c) **Not misleading:** no information contained in a Relevant Document for which Healthscope will be described as responsible in that Relevant Document in accordance with clause 5.6, as at the date the Relevant Document is despatched to Healthscope Shareholders, is misleading or deceptive in any material respect (including by way of omission or otherwise) and will comply in all material respects with the requirements of the Corporations Act, the Listing Rules and all relevant regulatory guides and other guidelines and requirements of ASIC;
- (d) **Validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;
- (e) **Authority:** the execution and delivery of this deed has been properly authorised by all necessary corporate action of Healthscope;
- (f) **Power:** Healthscope has full corporate power and lawful authority to execute and deliver this deed without seeking the consent of any other person or persons and to perform or cause to be performed its obligations under this deed;
- (g) **Enforceability:** this deed constitutes legal, valid and binding obligations on Healthscope;
- (h) **No default:** this deed does not conflict with or result in the breach of or a default under:
  - (1) Healthscope's constitution or other constituent documents; or
  - (2) any agreement or deed or any writ, order or injunction, judgment, law, rule or regulation to which it is party or by which it is bound;
- (i) **Disclosure:** as at the date of this deed:

- (1) Healthscope is in compliance in all respects with its continuous disclosure obligations under Listing Rule 3.1 and, except as Fairly Disclosed in the Due Diligence Materials and as relates to Brookfield's proposal to acquire Healthscope, Healthscope is not withholding from disclosure to ASX any material information in reliance on Listing Rule 3.1A;
  - (2) the Due Diligence Materials were compiled and made available to Brookfield and its Representatives in good faith and, so far as Healthscope is aware, the Due Diligence Materials are materially true and accurate and not misleading or deceptive, including by omission; and
  - (3) Healthscope has disclosed all amounts payable by Healthscope to its financial advisers in respect of the transactions contemplated by this deed;
- (j) **Capital structure:** as at the date of this deed, there are on issue:
- (1) 1,741,161,795 Healthscope Shares; and
  - (2) 8,990,841 Performance Rights,
- and it has not issued or agreed to issue any other securities, options, performance rights or instruments which are still outstanding (or become outstanding) and may convert into Healthscope Shares and there are no other Healthscope Shares, Healthscope Performance Rights or other securities issued by Healthscope;
- (k) **compliance:** so far as Healthscope is aware, the Healthscope Group has complied in all material respects with all Australian and foreign laws and regulations applicable to them and orders of Australian and foreign governmental agencies having jurisdiction over it and has all material licenses, permits and authorisations necessary for it to conduct its business as it has been conducted in the 12 months prior to the date of this deed;
- (l) **No default:** so far as Healthscope is aware and other than as Fairly Disclosed in the Due Diligence Materials, neither Healthscope nor any of its Subsidiaries is in default under any material document, agreement or instrument binding on it or its assets where such default would have a material adverse effect on the Healthscope Group as a whole nor has anything occurred which is or would with the giving of notice or lapse of time constitute an event of default, prepayment event or similar event, or give another party a termination right or right to accelerate any right or obligation, under any such document or agreement with such an effect; and
- (m) **Regulatory approvals:** as at the date of this deed, no regulatory approval is required to be obtained by Healthscope in order for it to execute, deliver and perform this deed, other than those approvals set out in clause 3.1, and so far as Healthscope is aware, as at the date of this deed no regulatory action of any nature has been taken that would prevent or restrict its ability to fulfil its obligations under this deed.

## Schedule 3

### Brookfield Representations and Warranties

---

Brookfield represents and warrants to Healthscope (in its own right and separately as trustee or nominee for each Healthscope Board Member) that:

- (a) **Information in Relevant Documents:** the information contained in each Relevant Document for which Brookfield will be described as responsible in that Relevant Document in accordance with clause 5.6 as at the date of despatch to the Healthscope Shareholders:
  - (1) has been prepared and included in the Relevant Document in good faith; and
  - (2) complies in all material respects with the requirements of the Corporations Act, Corporations Regulations, Listing Rules and relevant ASIC regulatory guides (as applicable);
- (b) **Information provided to the Independent Expert:** all information provided by Brookfield to the Independent Expert, as at the date that information is provided, has been provided in good faith and on the understanding that, to the extent accepted by the Independent Expert, the Independent Expert will rely on that information for the purpose of preparing its report for inclusion in the Scheme Booklet and the Target's Statement;
- (c) **Not misleading:** no information contained in a Relevant Document for which Brookfield will be described as responsible in that Relevant Document in accordance with clause 5.6, as at the date the Relevant Document is despatched to Healthscope Shareholders, is misleading or deceptive in any material respect (including by way of omission or otherwise) and will comply in all material respects with the requirements of the Corporations Act, the Listing Rules and all relevant regulatory guides and other guidelines and requirements of ASIC;
- (d) **Validly existing:** it is a validly existing corporation registered under the laws of its place of incorporation;
- (e) **Authority:** the execution and delivery of this deed has been properly authorised by all necessary corporate action of Brookfield;
- (f) **Power:** it has full corporate power and lawful authority to execute, deliver and perform this deed without seeking the consent of any other person or persons and to perform or cause to be performed its obligations under this deed;
- (g) **Enforceability:** this deed constitutes legal, valid and binding obligations on Healthscope;
- (h) **No default:** this deed does not conflict with or result in the breach of or a default under:
  - (1) Brookfield's constitution or other constituent documents; or
  - (2) any agreement or deed or any writ, order or injunction, judgment, law, rule or regulation to which it is party or by which it is bound;
- (i) **Insolvency Event or regulatory action:** no Insolvency Event has occurred in relation to it or a Related Body Corporate of Brookfield, nor has any regulatory



action of any nature of which it is aware been taken that would prevent or restrict its ability to fulfil its obligations under this deed;

- (j) **No regulatory approvals:** no approval from any Government Agency is required to be obtained by Brookfield in order to execute and perform this deed, other than the Regulatory Approvals;
- (k) **No dealings with Healthscope Shareholders:** apart from any agreement or related documentation with the Property Investor to which a member of the Healthscope Group is a party or otherwise approved, neither it nor any of its associates has any agreement, arrangement or understanding with any Healthscope Shareholder under which that Healthscope Shareholder (or an associate of that Healthscope Shareholder) would be entitled to receive consideration for their Healthscope Shares different from the Scheme Consideration or the Takeover Bid Consideration, or under which the Healthscope Shareholder agrees to vote in favour of the Scheme (or against any Competing Proposal) or accept the Takeover Bid;
- (l) **No dealing with Healthscope directors or employees:** neither it nor any of its associates has any agreement, arrangement or understanding with any director or employee of Healthscope relating in any way to the Transaction or operations of Healthscope after the Effective Date or close of the Offer Period;
- (m) **Property Transaction:** there are, and will be, no agreement, arrangement or understanding between, on the one hand, any of Healthscope's counterparties under the Property Transaction or any of their Affiliates or any of their Representatives and, on the other hand, Brookfield Asset Management Inc. or any Brookfield Related Party in connection with or arising from the Transactions or the Property Transaction that has not been disclosed to Healthscope prior to the date of this deed;
- (n) **the Debt Commitment Letters:**
  - (1) the Debt Commitment Letters have been executed by the parties thereto and constitutes legally valid and enforceable obligations on, and rights of, those parties that are enforceable in accordance with their terms;
  - (2) without the prior written consent of Healthscope, Brookfield:
    - (A) will not replace, amend, or agree to amend, the Debt Commitment Letters;
    - (B) will not waive, or agree to waive, any of its rights under the Debt Commitment Letters; and
    - (C) will not agree or consent to any novation, assignment or transfer of any counter-party's obligations under the Debt Commitment Letters,where to do so will prejudice Brookfield's ability to pay the Scheme Consideration in accordance with this deed and the Deed Poll or pay the consideration due to Healthscope Shareholders who accept the Offer, in accordance with this deed (and no alternative financing has been arranged); and
  - (3) Brookfield will enforce its rights under the Debt Commitment Letters to the extent failure to do so will prejudice Brookfield's ability to pay the Scheme Consideration in accordance with this deed and the Deed Poll or pay the consideration due to Healthscope Shareholders who accept the Offer, in accordance with this deed (and no alternative financing has been arranged);

- (o) **Brookfield Facility Agreement:** Brookfield will disclose a true and complete copy of the Brookfield Facility Agreement to Healthscope and on each date from the date on which each Brookfield Facility Agreement is entered into until the earlier of 8.00am on the Implementation Date and the close of the Offer Period:
- (1) the Brookfield Facility Agreement has been duly executed by the Brookfield Group Members party thereto and constitutes legally valid and enforceable obligations on, and rights of, those parties that are enforceable in accordance with its terms; and
  - (2) without the prior written consent of Healthscope, Brookfield will not (and will procure that any other Brookfield Group Member party to the Brookfield Facility Agreement):
    - (A) replace, amend, or agree to amend, the Brookfield Facility Agreement;
    - (B) waive, or agree to waive, any of its rights under the Brookfield Facility Agreement; and
    - (C) agree or consent to any novation, assignment or transfer of any counter-party's obligations under either Brookfield Facility Agreement,

where to do so will prejudice Brookfield's ability to pay the Scheme Consideration in accordance with this deed and the Deed Poll or pay the consideration due to Healthscope Shareholders who accept the Offer, in accordance with this deed (and no alternative financing has been arranged); and
  - (3) Brookfield will enforce its rights under the Brookfield Facility Agreement to the extent failure to do so will prejudice Brookfield's ability to pay the Scheme Consideration in accordance with this deed and the Deed Poll or pay the consideration due to Healthscope Shareholders who accept the Offer, in accordance with this deed (and no alternative financing has been arranged);
- (p) **the Equity Commitment Letter:**
- (1) Brookfield has disclosed a true and complete copy of the Equity Commitment Letter to Healthscope;
  - (2) the Equity Commitment Letter has been duly executed by the parties to the Equity Commitment Letter and constitutes legally valid and enforceable obligations on, and rights of, those parties that are enforceable in accordance with its terms;
  - (3) without the prior written consent of Healthscope, Brookfield:
    - (A) will not amend, or agree to amend, the Equity Commitment Letter;
    - (B) will not waive, or agree to waive, any of its rights under the Equity Commitment Letter; and
    - (C) will not agree or consent to any novation, assignment or transfer of any counter-party's obligations under the Equity Commitment Letter, except as expressly permitted under the Equity Commitment Letter;
  - (4) Brookfield will enforce its rights under the Equity Commitment Letter.
- (q) **Reasonable basis:** as at the date of this deed, Brookfield has a reasonable basis to expect that it will have available to it sufficient cash amounts (whether

from internal cash reserves or external funding arrangements, including equity and debt financing or a combination of both) to satisfy Brookfield's obligations:

- (1) as at the Implementation Date, to pay the Scheme Cash Consideration in accordance with its obligations under this deed and the Deed Poll; and
  - (2) at all times during the Offer Period, the Takeover Bid Consideration;
- (r) **Unconditional cash reserves:**
- (1) by 8.00am on the Second Court Date, Brookfield will have available to it on an unconditional basis (other than conditions relating to, or which will cease to apply or be satisfied following, the approval of the Court and other conditions within the control of Brookfield) sufficient cash reserves (whether from internal cash reserves or external funding arrangements, including equity and debt financing or a combination of both) to satisfy Brookfield's obligations to pay the Scheme Consideration (in accordance with its obligations under this deed, the Scheme and the Deed Poll); and
  - (2) from the point at which the Takeover Bid becomes unconditional, Brookfield will have available to it on an unconditional basis (other than conditions within the control of Brookfield) sufficient cash reserves (whether from internal cash reserves or external funding arrangements, including equity and debt financing or a combination of both) to satisfy Brookfield's obligations to pay the Takeover Bid Consideration in accordance with the terms of the Takeover Bid and the timing requirements of the Corporations Act;
- (s) **Brookfield HoldCo:**
- (1) immediately following Implementation of the Scheme:
    - (A) Brookfield HoldCo Class B Shares will comprise at least 20% of the total number of Brookfield HoldCo Ordinary Shares on issue at 11:50pm on the Implementation Date, based upon an assumption that Healthscope Shareholders holding 10% of the issued Healthscope Shares make valid Elections under the Scheme;
    - (B) the ratio of Brookfield HoldCo Class B Shares to Brookfield HoldCo Preference Shares issued to each Scheme Shareholder who makes a valid Election to receive Scheme Security Consideration will be the same as the ratio of Brookfield HoldCo Class A Shares to Brookfield HoldCo Loan Notes issued to the Affiliates of Brookfield; and
    - (C) Brookfield HoldCo will not have issued or agreed to issue any other securities, options, performance rights or instruments which are still outstanding (or become outstanding) and may convert into Brookfield HoldCo Ordinary Shares; and
  - (2) Brookfield HoldCo will not issue any more Brookfield HoldCo Class A Shares or Brookfield HoldCo Loan Notes prior to Implementation than is necessary for Brookfield HoldCo to lend to and/or capitalise Brookfield (directly or indirectly) to enable Brookfield to:
    - (A) pay the Scheme Consideration or the Takeover Bid Consideration; and



- (B) pay any amounts reasonably incurred by Brookfield or Brookfield HoldCo in connection with the Transactions, including transaction costs;
- (3) if Brookfield nominates a wholly-owned Subsidiary of Brookfield HoldCo to accept the transfer of Healthscope Shares under the Scheme or acquire the Healthscope Shares pursuant to the Offers, such Subsidiary will, at all times until the later of implementation of the Scheme and close of the Offer Period, be a wholly-owned (either directly or indirectly) Subsidiary of Brookfield HoldCo.



## Schedule 4

### Capital Reduction Resolution

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To consider and, if thought fit, to approve the following as an ordinary resolution:

*"That, subject to and conditional on:*

- (a) the Property Transaction or any Replacement Property Transaction Documents completing in accordance with their terms;*
- (b) the Offer being declared or becoming unconditional;*
- (c) Brookfield acquiring a Relevant Interest in more than 50% of the Healthscope Shares,*

*and for the purpose of section 256C(1) of the Corporations Act and for all other purposes, Healthscope's share capital be reduced on the Capital Reduction Date by the Capital Reduction Aggregate Amount, with the reduction to be effected and satisfied by applying the Capital Reduction Aggregate Amount equally against each Healthscope Share on issue on the Capital Reduction Record Date."*



## Signing page

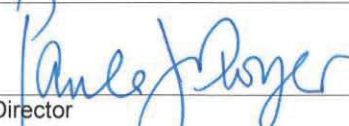
Executed as a deed

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Signed, sealed and delivered by  
**Healthscope Limited**  
by

sign here ►   
\_\_\_\_\_  
Company Secretary/Director

print name \_\_\_\_\_  
INGRID ANNE PLAYER

sign here ►   
\_\_\_\_\_  
Director

print name \_\_\_\_\_  
Paula Dwyer

---



HERBERT  
SMITH  
FREEHILLS

Signed, sealed and delivered by

**VIG Bidco Pty Ltd**

by

sign here ►

Company Secretary/Director

print name

LEONARD CHERSKY

sign here ►

Director

print name

SOPHIA RIHANI

---





HERBERT  
SMITH  
FREEHILLS

## Attachment A

### Scheme

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HERBERT  
SMITH  
FREEHILLS

## Scheme of arrangement

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Healthscope Limited

Scheme Shareholders



## Contents

### Table of contents

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<b>1</b>	<b>Definitions, interpretation and scheme components</b>	<b>1</b>
1.1	Definitions .....	1
1.2	Interpretation .....	6
1.3	Interpretation of inclusive expressions .....	8
1.4	Business Day .....	8
<b>2</b>	<b>Preliminary matters</b>	<b>8</b>
<b>3</b>	<b>Conditions</b>	<b>8</b>
3.1	Conditions precedent .....	8
3.2	Certificate .....	9
3.3	End Date .....	9
<b>4</b>	<b>Implementation of this Scheme</b>	<b>9</b>
4.1	Lodgement of Court orders with ASIC .....	9
4.2	Transfer of Scheme Shares .....	9
<b>5</b>	<b>Scheme Consideration</b>	<b>10</b>
5.1	Provision of Scheme Consideration .....	10
5.2	Provision of Scheme Cash Consideration .....	11
5.3	Provision of Scheme Security Consideration .....	12
5.4	Scaleback Arrangements .....	12
5.5	Joint holders .....	13
5.6	Fractional entitlements .....	13
5.7	Unclaimed monies .....	14
5.8	Orders of a court or Government Agency .....	14
<b>6</b>	<b>Dealings in Healthscope Shares</b>	<b>14</b>
6.1	Determination of Scheme Shareholders .....	14
6.2	Register .....	15
<b>7</b>	<b>Quotation of Healthscope Shares</b>	<b>15</b>
<b>8</b>	<b>General Scheme provisions</b>	<b>16</b>
8.1	Consent to amendments to this Scheme .....	16
8.2	Scheme Shareholders' agreements and warranties .....	16
8.3	Title to and rights in Scheme Shares .....	17
8.4	Appointment of sole proxy .....	17
8.5	Authority given to Healthscope .....	17
8.6	Instructions and elections .....	18
8.7	Binding effect of Scheme .....	18
<b>9</b>	<b>General</b>	<b>19</b>
9.1	Stamp duty .....	19
9.2	Consent .....	19
9.3	Notices .....	19
9.4	Governing law .....	19
9.5	Further action .....	19



## Contents

9.6	No liability when acting in good faith.....	19
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## Scheme of arrangement

This scheme of arrangement is made under section 411 of the *Corporations Act 2001* (Cth)

Between the parties

**Healthscope**

Healthscope Limited

ACN 144 840 639 of Level 1, 312 St Kilda Road, Melbourne VIC  
3004

**(Healthscope)**

---

**Scheme  
Shareholders**

Each Healthscope Shareholder as at the Scheme Record Date

**(Scheme Shareholders)**

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# 1 Definitions, interpretation and scheme components

## 1.1 Definitions

The meanings of the terms used in this Scheme are set out below.

Term	Meaning
<b>Affiliate</b>	in respect of a person ( <b>Primary Person</b> ), a person: <ol style="list-style-type: none"> <li>1 Controlled directly or indirectly by the Primary Person;</li> <li>2 Controlling directly or indirectly the Primary Person;</li> <li>3 who is Controlled, directly or indirectly, by a person or persons who Control the Primary Person; or</li> <li>4 directly or indirectly under the common Control of the Primary Person and another person or persons.</li> </ol>
<b>Aggregate Brookfield HoldCo Elected Securities</b>	the total number of Brookfield HoldCo Securities the subject of all Brookfield HoldCo Elections.
<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ABN 98 008 624 691) and, where the context requires, the financial market that it operates.
<b>ASX Settlement</b>	ASX Settlement Pty Ltd (ACN 008 504 532).
<b>Available Brookfield HoldCo Securities</b>	<ol style="list-style-type: none"> <li>1 678,787,879 Brookfield HoldCo B Shares; and</li> <li>2 21,212,121 Brookfield HoldCo Preferences Shares,</li> </ol> or such other amounts agreed between Healthscope and Brookfield in writing.
<b>Brookfield</b>	VIG Bidco Pty Ltd ACN 631 014 938 of Level 22, 135 King Street, Sydney NSW 2000.
<b>Brookfield Group</b>	Brookfield and each of its Affiliates and a reference to a "Brookfield Group Member" or "a member of the Brookfield Group" is to Brookfield



Term	Meaning
	or any of its Affiliates.
<b>Brookfield HoldCo</b>	VIG Topco Limited ACN 631 014 965 of Level 22, 135 King Street, Sydney NSW 2000.
<b>Brookfield HoldCo Class B Share</b>	a "Class B" convertible ordinary share in the capital of Brookfield HoldCo issued on the terms set out in the Brookfield HoldCo Constitution.
<b>Brookfield HoldCo Constitution</b>	the constitution of Brookfield HoldCo a summary of which is set out in shareholders' deed term sheet in Attachment C of the Implementation Deed or such other form as agreed in writing by the parties.
<b>Brookfield HoldCo Elections</b>	the Elections made by Scheme Shareholders to receive Scheme Security Consideration.
<b>Brookfield HoldCo Preference Shares</b>	a fully paid preference share in the capital of Brookfield HoldCo issued on the terms set out in the Brookfield HoldCo Constitution.
<b>Brookfield HoldCo Ordinary Shares</b>	fully paid ordinary shares in the capital of Brookfield HoldCo.
<b>Brookfield HoldCo Securities</b>	<ol style="list-style-type: none"><li>1 Brookfield HoldCo Class B Shares; and</li><li>2 Brookfield HoldCo Preference Shares.</li></ol>
<b>Business Day</b>	a day on which trading banks are open for business in each of Melbourne, Victoria, and Sydney, New South Wales (not being a Saturday, Sunday or public holiday in that place).
<b>CHESS</b>	the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited.
<b>CHESS Holding</b>	a holding of Healthscope Shares that are registered on the Share Register, which is administered by ASX Settlement and which records uncertificated holdings of Healthscope Shares.
<b>Control</b>	with respect to any person (other than an individual) the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person whether through the ownership of voting securities, by agreement or otherwise, and for the avoidance of doubt, a general partner is deemed to Control a limited partnership



Term	Meaning
	of which it is the general partner and, solely for the purposes of this document, a fund advised or managed directly or indirectly by a person will also be deemed to be Controlled by such person, and, in respect of Brookfield, will also include any fund, account, client, limited partnership or other collective investment vehicle or other person which is managed or advised by Brookfield or an Affiliate of Brookfield.
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Court</b>	the Supreme Court of Victoria or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Brookfield and Healthscope.
<b>Custodian</b>	has the meaning given in the Shareholders' Deed.
<b>Custodian Deed</b>	has the meaning given in the Shareholders' Deed.
<b>Deed Poll</b>	the deed poll executed by Brookfield HoldCo and Brookfield under which Brookfield HoldCo and Brookfield each covenants in favour of the Scheme Shareholders to perform the obligations attributed to Brookfield HoldCo and Brookfield under this Scheme.
<b>Effective</b>	when used in relation to this Scheme, the coming into effect, under subsection 411(10) of the Corporations Act, of the Court order made under paragraph 411(4)(b) of the Corporations Act in relation to this Scheme.
<b>Effective Date</b>	the date on which this Scheme becomes Effective.
<b>Election</b>	has the meaning in clause 5.1(b).
<b>Election Form</b>	the election form that a Scheme Shareholder may request from the Healthscope Registry and under which each Scheme Shareholder (other than Ineligible Foreign Shareholders) may elect to receive the Scheme Security Consideration, subject to the conditions in this Scheme.



Term	Meaning
<b>Election Time</b>	5:00pm on the date three clear Business Days before the date of the Scheme Meeting, or such other time as Brookfield and Healthscope agree in writing.
<b>End Date</b>	31 October 2019.
<b>Government Agency</b>	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state (or any comparable or similar position held in any foreign country).
<b>Healthscope</b>	Healthscope Limited (ACN 144 840 639).
<b>Healthscope Registry</b>	Computershare Investor Services Pty Limited (ACN 078 279 277).
<b>Healthscope Share</b>	a fully paid ordinary share of Healthscope.
<b>Healthscope Shareholder</b>	each person who is registered as the holder of a Healthscope Share from time to time.
<b>Implementation Date</b>	the fifth Business Day after the Scheme Record Date or such other date after the Scheme Record Date as the parties agree in writing.
<b>Implementation Deed</b>	the implementation deed dated 1 February 2019 between Healthscope and Brookfield relating to the implementation of this Scheme (amongst other things).
<b>Ineligible Foreign Shareholder</b>	a Scheme Shareholder whose address in the Share Register as at the Scheme Record Date is a place outside Australia or New Zealand unless Brookfield and Healthscope agree in writing that it is lawful and not unduly onerous or impractical to issue Brookfield HoldCo Ordinary Shares to that Scheme Shareholder if the Scheme Shareholder so elects under this Scheme.
<b>Issuer Sponsored Holding</b>	has the meaning given in the Settlement Rules.



Term	Meaning
<b>Operating Rules</b>	the official operating rules of ASX.
<b>Performance Right</b>	a right existing at the date of the Implementation Deed issued under an employee incentive plan which confers on the holder a right to acquire a Healthscope Share.
<b>Registered Address</b>	in relation to a Healthscope Shareholder, the address shown in the Share Register.
<b>Scaleback Arrangements</b>	the provisions of this Scheme providing for the scaleback of Brookfield HoldCo Securities issued pursuant to this Scheme in accordance with clause 5.4.
<b>Scheme</b>	this scheme of arrangement under Part 5.1 of the Corporations Act between Healthscope and the Scheme Shareholders subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Healthscope and Brookfield.
<b>Scheme Cash Consideration</b>	\$2.465 cash for each Scheme Share held by a Scheme Shareholder.
<b>Scheme Consideration</b>	<p>the consideration to be provided to each Scheme Shareholder for the transfer to Brookfield of each Scheme Share, being for each Healthscope Share held by a Scheme Shareholder as at the Scheme Record Date being either:</p> <ol style="list-style-type: none"><li>1 the Scheme Cash Consideration; or</li><li>2 the Scheme Security Consideration.</li></ol>
<b>Scheme Meeting</b>	the meeting of the Healthscope Shareholders ordered by the Court to be convened under subsection 411(1) of the Corporations Act.
<b>Scheme Record Date</b>	5.00pm (Melbourne time) on the fifth Business Day after the Effective Date or such other time and date as Brookfield and Healthscope agree in writing.
<b>Scheme Security Consideration</b>	<ol style="list-style-type: none"><li>1 2.3889 Brookfield HoldCo Class B Shares; and</li><li>2 0.0761 Brookfield HoldCo Preferences Shares,</li></ol> <p>or such other amounts agreed between Healthscope and Brookfield in writing for each Scheme Share held on the Scheme Record Date by a Scheme Shareholder who makes a valid Election in accordance with</p>



Term	Meaning
	this Scheme, subject to the Scaleback Arrangements and the other conditions in this Scheme.
<b>Scheme Shares</b>	all Healthscope Shares held by the Scheme Shareholders.
<b>Scheme Shareholder</b>	a Healthscope Shareholder as at the Scheme Record Date.
<b>Scheme Transfer</b>	a duly completed and executed proper instrument of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, in favour of Brookfield as transferee, which may be a master transfer of all or part of the Scheme Shares.
<b>Second Court Date</b>	the first day on which an application made to the Court for an order under paragraph 411(4)(b) of the Corporations Act approving this Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the first day on which the adjourned application or appeal is heard.
<b>Settlement Rules</b>	the ASX Settlement Operating Rules, being the official operating rules of the settlement facility provided by ASX Settlement Pty Ltd.
<b>Share Register</b>	the register of members of Healthscope maintained in accordance with the Corporations Act.
<b>Shareholders' Deed</b>	the shareholders' deed in relation to Brookfield HoldCo on substantially those terms set out in the shareholders' deed term sheet in Attachment C of the Implementation Deed or such other form as agreed in writing between Brookfield and Healthscope.
<b>Subsidiary</b>	has the meaning given in the Corporations Act.
<b>Trust Account</b>	an Australian dollar denominated trust account operated by Healthscope to hold the Scheme Cash Consideration on trust for the purpose of paying the Scheme Cash Consideration to applicable Scheme Shareholders in accordance with clause 5.2.

## 1.2 Interpretation

In this Scheme:



- (a) headings and bold type are for convenience only and do not affect the interpretation of this Scheme;
- (b) the singular includes the plural and the plural includes the singular;
- (c) words of any gender include all genders;
- (d) other parts of speech and grammatical forms of a word or phrase defined in this Scheme have a corresponding meaning;
- (e) a reference to a person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency as well as an individual;
- (f) a reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this Scheme;
- (g) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or reenactments of any of them (whether passed by the same or another Government Agency with legal power to do so);
- (h) a reference to a document (including this Scheme) includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to '\$', 'A\$' or 'dollar' is to Australian currency;
- (j) a reference to any time is, unless otherwise indicated, a reference to that time in Melbourne, Australia;
- (k) a term defined in or for the purposes of the Corporations Act, and which is not defined in clause 1.1, has the same meaning when used in this Scheme;
- (l) a term defined in the Implementation Deed, and which is not defined in clause 1.1 of this Scheme, has the same meaning when used in this Scheme;
- (m) a reference to a party to a document includes that party's successors and permitted assignees;
- (n) no provision of this Scheme will be construed adversely to a party because that party was responsible for the preparation of this Scheme or that provision;
- (o) a reference to a body, other than a party to this Scheme (including an institute, association or authority), whether statutory or not:
  - (1) which ceases to exist; or
  - (2) whose powers or functions are transferred to another body,is a reference to the body which replaces it or which substantially succeeds to its powers or functions;
- (p) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (q) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (r) if an act prescribed under this Scheme to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day; and
- (s) a reference to the Listing Rules and the Operating Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a party.



### 1.3 Interpretation of inclusive expressions

Specifying anything in this Scheme after the words 'include' or 'for example' or similar expressions does not limit what else is included.

### 1.4 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

## 2 Preliminary matters

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- (a) If this Scheme becomes Effective:
  - (1) Brookfield HoldCo and Brookfield must provide, or procure the provision of, the Scheme Consideration to the Scheme Shareholders in accordance with the terms of this Scheme and the Deed Poll; and
  - (2) all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, must be transferred to Brookfield and Healthscope will enter the name of Brookfield in the Share Register in respect of the Scheme Shares on the Implementation Date.
- (b) Healthscope and Brookfield have agreed, by executing the Implementation Deed, to implement this Scheme.
- (c) This Scheme attributes actions to Brookfield HoldCo and Brookfield but does not itself impose an obligation on them to perform those actions. Brookfield HoldCo and Brookfield have agreed, by executing the Deed Poll, to perform the actions attributed to them under this Scheme, including the provision, or procuring the provision, of the Scheme Consideration to the Scheme Shareholders.

## 3 Conditions

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### 3.1 Conditions precedent

This Scheme is conditional on and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) all the conditions of the Scheme in clause 3 of the Implementation Deed (other than the condition in the Implementation Deed relating to Court approval of this Scheme) having been satisfied or waived in accordance with the terms of the Implementation Deed by 8.00am on the Second Court Date;
- (b) neither the Implementation Deed nor the Deed Poll having been terminated in accordance with their terms before 8.00am on the Second Court Date;
- (c) approval of this Scheme by the Court under paragraph 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under subsection 411(6) of the Corporations Act and agreed to by Brookfield and Healthscope;



- (d) such other conditions made or required by the Court under subsection 411(6) of the Corporations Act in relation to this Scheme and agreed to by Brookfield and Healthscope having been satisfied or waived; and
- (e) the orders of the Court made under paragraph 411(4)(b) (and, if applicable, subsection 411(6)) of the Corporations Act approving this Scheme coming into effect, pursuant to subsection 411(10) of the Corporations Act on or before the End Date (or any later date Healthscope and Brookfield agree in writing).

### **3.2 Certificate**

- (a) Healthscope, Brookfield will provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent in clauses 3.1(a) and 3.1(b) of this Scheme have been satisfied or waived.
- (b) The certificate referred to in clause 3.2(a) of this Scheme constitutes conclusive evidence that such conditions precedent were satisfied, waived or taken to be waived.

### **3.3 End Date**

This Scheme will lapse and be of no further force or effect if:

- (a) the Effective Date does not occur on or before the End Date; or
- (b) the Implementation Deed or the Deed Poll is terminated in accordance with its terms,

unless Healthscope and Brookfield otherwise agree in writing.

## **4 Implementation of this Scheme**

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### **4.1 Lodgement of Court orders with ASIC**

Healthscope must lodge with ASIC, in accordance with subsection 411(10) of the Corporations Act, an office copy of the Court order approving this Scheme as soon as possible after the Court approves this Scheme and in any event by 5.00pm on the first Business Day after the day on which the Court approves this Scheme.

### **4.2 Transfer of Scheme Shares**

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 5, the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, must be transferred to Brookfield Sub, without the need for any further act by any Scheme Shareholder (other than acts performed by Healthscope as attorney and agent for Scheme Shareholders under clause 8.5), by:
  - (1) Healthscope delivering to Brookfield a duly completed Scheme Transfer, executed on behalf of the Scheme Shareholders by Healthscope, for registration; and
  - (2) Brookfield duly executing the Scheme Transfer and delivering it to Healthscope for registration; and

- (b) immediately following receipt of the Scheme Transfer in accordance with clause 4.2(a)(2), Healthscope must enter, or procure the entry of, the name of Brookfield in the Share Register in respect of all the Scheme Shares transferred to Brookfield in accordance with this Scheme.

## 5 Scheme Consideration

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### 5.1 Provision of Scheme Consideration

- (a) Unless the applicable terms of this Scheme are satisfied, the Scheme Consideration will be in the form of the Scheme Cash Consideration.
- (b) Despite clause 5.1(a) and subject to clause 5.1(d), a Scheme Shareholder, other than an Ineligible Foreign Shareholder, may receive all of its Scheme Consideration in the form of the Scheme Security Consideration, subject to the Scaleback Arrangements, if the Scheme Shareholder validly completes and returns an Election Form in accordance with the instructions specified on the form so that the Healthscope Registry receives it by the Election Time (**Elections**).
- (c) Brookfield HoldCo must not, and will be under no obligation to, issue any Brookfield HoldCo Securities under this Scheme to any Ineligible Foreign Shareholder. Accordingly, no Ineligible Foreign Shareholder may make a valid Election.
- (d) All Scheme Shareholders will receive the Scheme Cash Consideration and no Scheme Shareholders will be entitled to receive the Scheme Security Consideration unless Healthscope Shareholders holding, in aggregate, at least 10% of the issued Healthscope Shares at the Election Time make valid Elections to receive the Scheme Security Consideration in accordance with clause 5.1(b) above.
- (e) A Scheme Shareholder that makes an Election may vary, withdraw or revoke that Election by lodging a replacement Election Form (such form to be requested from the Healthscope Registry), provided such replacement Election Form is received by the Healthscope Registry by the Election Time.
- (f) An Election must be made in accordance with the terms and conditions of the Election Form and this clause 5.1, and an Election not made in accordance with this clause 5.1(c) will not be a valid Election for the purpose of this Scheme and will not be recognised for any purpose.
- (g) Subject to this clause 5.1 and clauses 5.3 and 5.4, if a Scheme Shareholder makes an Election, that Election will be deemed to apply in respect of that Scheme Shareholder's entire registered holding of Scheme Shares at the Scheme Record Date, regardless of whether the Scheme Shareholder's holding of Scheme Shares is greater or less than the Scheme Shareholder's holding at the time it made its Election.
- (h) A Scheme Shareholder that is noted on the Share Register as holding one or more parcels of Scheme Shares as trustee or nominee for, or otherwise on account of, another person, may make separate Elections under this clause 5.1 in relation to each of those parcels of Scheme Shares (subject to it providing to Healthscope any substantiating information it reasonably requires).
- (i) Subject to clause 5.1(j), if a Scheme Shareholder makes separate Elections under clause 5.1(h), that Scheme Shareholder will be treated as a separate



Scheme Shareholder in respect of each such parcel in respect of which a separate Election is made (and in respect of any balance of its holding).

- (j) If, at the Scheme Record Date, a Scheme Shareholder that has made separate Elections under clause 5.1(h) holds fewer Scheme Shares that it held at the time it made the Election, then, unless it has at the time of any sale of Healthscope Shares notified Healthscope whether the Healthscope Shares sold relate to any such separate Election (and if so which separate Election the Shares sold relate to), that Shareholder will be treated as not having made a valid Election in respect of any of its Scheme Shares (or will be treated in any other manner that Healthscope and Brookfield agree is fair to the Scheme Shareholder in all the circumstances acting reasonably).

## 5.2 Provision of Scheme Cash Consideration

- (a) Brookfield must, by no later than 1 Business Day before the Implementation Date, deposit, or procure the deposit, in cleared funds an amount equal to the aggregate amount of the Scheme Cash Consideration payable to all Scheme Shareholders who are entitled to the Scheme Cash Consideration into the Trust Account (provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to Brookfield's account).
- (b) On the Implementation Date, subject to funds having been deposited in accordance with clause 5.2(a), Healthscope must pay or procure the payment of the Scheme Cash Consideration from the Trust Account, to each Scheme Shareholder who is entitled to the Scheme Cash Consideration, such amount of cash as is due to that Scheme Shareholder as Scheme Cash Consideration in respect of all that Scheme Shareholder's Scheme Shares.
- (c) The obligations of Healthscope under clause 5.2(b) will be satisfied by Healthscope (in its absolute discretion, and despite any election referred to in clause 5.2(c)(1) or authority referred to in clause 5.2(c)(2) made or given by the Scheme Shareholder):
- (1) if a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Healthscope Registry to receive dividend payments from Healthscope by electronic funds transfer to a bank account nominated by the Scheme Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;
  - (2) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the Scheme Shareholder by an appropriate authority from the Scheme Shareholder to Healthscope; or
  - (3) dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Scheme Shareholder by prepaid post to their Registered Address (as at the Scheme Record Date), such cheque being drawn in the name of the Scheme Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 5.4).
- (d) To the extent that, following satisfaction of Healthscope's obligations under clause 5.2(b), there is a surplus in the amount held by Healthscope as trustee for the Scheme Shareholders in the Trust Account, that surplus shall be paid by Healthscope to Brookfield Sub.



### 5.3 Provision of Scheme Security Consideration

- (a) On the Implementation Date, and subject to the Scaleback Arrangements, Brookfield HoldCo must issue Brookfield HoldCo Securities to the Scheme Shareholders that are entitled to receive the Scheme Security Consideration in accordance with this Scheme or issue those Brookfield HoldCo Securities to the Custodian to be held as bare trustee for those Scheme Shareholders in accordance with this Scheme.
- (b) The Brookfield HoldCo Securities in respect of which a Scheme Shareholder is entitled may, in Brookfield's absolute discretion, be issued directly to that Scheme Shareholder (such that the Scheme Shareholder will be the legal holder of the relevant Brookfield HoldCo Securities) or, pursuant to and in accordance with the terms of the Shareholders' Deed, issued to the Custodian to hold as bare trustee for that Scheme Shareholder (such that the Scheme Shareholder will be beneficial holder but not the legal holder of the relevant Brookfield HoldCo Securities).
- (c) Brookfield HoldCo must ensure that each Brookfield HoldCo Ordinary Share issued as Scheme Security Consideration will at the time they are issued:
  - (1) rank equally with all existing Brookfield HoldCo Ordinary Shares;
  - (2) be duly and validly issued in accordance with applicable laws and the Brookfield HoldCo Constitution and the Shareholders' Deed; and
  - (3) be issued fully paid and free from any mortgage, charge, lien, encumbrance or other security interest, or any third party right.
- (d) Brookfield HoldCo must ensure that each Brookfield HoldCo Preference Share issued as Scheme Security Consideration will at the time they are issued:
  - (1) rank equally with all existing Brookfield HoldCo Preference Shares;
  - (2) be duly and validly issued in accordance with applicable laws and the Brookfield HoldCo Constitution and the Shareholders' Deed; and
  - (3) be issued fully paid and free from any mortgage, charge, lien, encumbrance or other security interest, or any third party right.
- (e) Any Scheme Shareholder that becomes a shareholder in Brookfield HoldCo will be taken to automatically through this Scheme to have agreed to be bound by the Brookfield HoldCo Constitution and to be party to the Shareholders' Deed as a 'Rollover Shareholder'.
- (f) On or before the date that is five Business Days after the Implementation Date, Brookfield HoldCo must send, or procure the sending of, a certificate to each Scheme Shareholder or the Custodian entitled to receive Brookfield HoldCo Securities under this Scheme, reflecting the issue of such Brookfield HoldCo Securities.

### 5.4 Scaleback Arrangements

- (a) If the Aggregate Brookfield HoldCo Elected Securities is less than or equal to the Available Brookfield HoldCo Securities, each Scheme Shareholder who makes a valid Election will receive the Brookfield HoldCo Securities the subject of their valid Elections in full, subject to the other conditions in this Scheme.
- (b) If the Aggregate Brookfield HoldCo Elected Securities exceed the Available Brookfield HoldCo Securities, each Scheme Shareholder (or Custodian on that Scheme Shareholder's behalf) who is entitled to be issued Brookfield HoldCo Securities will receive the number of Brookfield HoldCo Securities calculated in



accordance with the formula below (**Scaleback HoldCo Securities**), and that Scheme Shareholder will receive the Scheme Cash Consideration in respect of the remaining number of Brookfield HoldCo Securities that would otherwise have been issued to that Scheme Shareholder (or Custodian on that Scheme Shareholder's behalf):

$$\text{Scaleback HoldCo Securities} = A \left( \frac{B}{C} \right)$$

where:

**A** is the number of Brookfield HoldCo Securities the subject of the Scheme Shareholder's valid Election;

**B** is the Available Brookfield HoldCo Securities; and

**C** is the Aggregate Brookfield HoldCo Elected Securities.

Any scaleback of Brookfield HoldCo Securities will be proportionate between Brookfield HoldCo Class B Shares and Brookfield HoldCo Preference Shares.

## 5.5 Joint holders

In the case of Scheme Shares held in joint names:

- (a) subject to clause 5.2(c), any Scheme Cash Consideration payable in respect of those Scheme Shares is payable to the joint holders and any cheque required to be sent under this Scheme will be made payable to the joint holders and sent to either, at the sole discretion of Healthscope, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders;
- (b) any Brookfield HoldCo Securities to be issued under this Scheme must be issued to and registered in the names of the joint holders or, if these Brookfield HoldCo Securities are issued to the Custodian to hold as bare trustee for the joint holders, the joint holders will have joint beneficial ownership of those Brookfield HoldCo Securities; and
- (c) any other document required to be sent under this Scheme, will be forwarded to either, at the sole discretion of Healthscope, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders.

## 5.6 Fractional entitlements

- (a) Where the calculation of the number of Brookfield HoldCo Securities to be issued to a particular Scheme Shareholder (or Custodian on behalf of a Scheme Shareholders) would result in the Scheme Shareholder becoming entitled to a fraction of a Brookfield HoldCo Security, then the fractional entitlement will be rounded to the nearest whole number of Brookfield HoldCo Securities, with any such fractional entitlement of less than 0.5 being rounded down to the nearest whole number of Brookfield Securities, and any such fractional entitlement of 0.5 or more being rounded up to the nearest whole number of Brookfield HoldCo Securities.
- (b) Where the calculation of the Scheme Cash Consideration to be provided to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a cent, the fractional entitlement will be rounded up or down (as applicable) to the nearest cent.



## 5.7 Unclaimed monies

- (a) Healthscope may cancel a cheque issued under this clause 5 if the cheque:
  - (1) is returned to Healthscope; or
  - (2) has not been presented for payment within six months after the date on which the cheque was sent.
- (b) During the period of 12 months commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Healthscope (or the Healthscope Registry) (which request may not be made until the date which is 20 Business Days after the Implementation Date), Healthscope must reissue a cheque that was previously cancelled under this clause 5.6.
- (c) The *Unclaimed Money Act* 2008 (Vic) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 3 of the *Unclaimed Money Act* 2008 (Vic)).

## 5.8 Orders of a court or Government Agency

If written notice is given to Healthscope (or the Healthscope Registry) or Brookfield of an order or direction made by a court of competent jurisdiction or by another Government Agency that:

- (a) requires consideration to be provided to a third party (either through payment of a sum or the issuance of a security) in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable or required to be issued to that Scheme Shareholder by Healthscope in accordance with this clause 5, then Healthscope shall be entitled to procure that provision of that consideration is made in accordance with that order or direction; or
- (b) prevents Healthscope from providing consideration to any particular Scheme Shareholder in accordance with this clause 5, or the payment or issuance of such consideration is otherwise prohibited by applicable law, Healthscope shall be entitled to (as applicable) retain an amount, in Australian dollars, equal to the number of Scheme Shares held by that Scheme Shareholder multiplied by the Scheme Consideration until such time as provision of the Scheme Consideration in accordance with this clause 5 is permitted by that (or another) order or direction or otherwise by law.

# 6 Dealings in Healthscope Shares

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## 6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Healthscope Shares or other alterations to the Share Register will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the relevant Healthscope Shares before the Scheme Record Date; and
- (b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received before the Scheme Record Date at the place where the Share Register is kept,

and Healthscope must not accept for registration, nor recognise for any purpose (except a transfer to Brookfield pursuant to this Scheme and any subsequent transfer by Brookfield or its successors in title), any transfer or transmission application or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate.

## 6.2 Register

- (a) Healthscope must register registrable transmission applications or transfers of the Scheme Shares in accordance with clause 6.1(b) before the Scheme Record Date provided that, for the avoidance of doubt, nothing in this clause 6.2(a) requires Healthscope to register a transfer that would result in a Healthscope Shareholder holding a parcel of Healthscope Shares that is less than a 'marketable parcel' (for the purposes of this clause 6.2(a) 'marketable parcel' has the meaning given in the Operating Rules).
- (b) If this Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them on or after the Scheme Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and Healthscope shall be entitled to disregard any such disposal.
- (c) For the purpose of determining entitlements to the Scheme Consideration, Healthscope must maintain the Share Register in accordance with the provisions of this clause 6.2 until the Scheme Consideration has been paid to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (d) All statements of holding for Healthscope Shares (other than statements of holding in favour of Brookfield Sub) will cease to have effect after the Scheme Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Share Register (other than entries on the Share Register in respect of Brookfield Sub) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Healthscope Shares relating to that entry.
- (e) As soon as possible on or after the Scheme Record Date, and in any event by 5.00pm on the first Business Day after the Scheme Record Date, Healthscope will ensure that details of the names, Registered Addresses and holdings of Healthscope Shares for each Scheme Shareholder as shown in the Share Register are available to Brookfield in the form Brookfield reasonably requires.

## 7 Quotation of Healthscope Shares

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- (a) Healthscope must apply to ASX to suspend trading on the ASX in Healthscope Shares with effect from the close of trading on the Effective Date.
- (b) On a date after the Implementation Date to be determined by Brookfield, Healthscope must apply:
  - (1) for termination of the official quotation of Healthscope Shares on the ASX; and
  - (2) to have itself removed from the official list of the ASX.

## 8 General Scheme provisions

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### 8.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

- (a) Healthscope may, by its counsel, consent on behalf of all persons concerned to those alterations or conditions to which Brookfield has consented in writing; and
- (b) each Scheme Shareholder agrees to any such alterations or conditions which Healthscope has consented to.

### 8.2 Scheme Shareholders' agreements and warranties

- (a) Each Scheme Shareholder:
  - (1) agrees to the transfer of their Healthscope Shares together with all rights and entitlements attaching to those Healthscope Shares in accordance with this Scheme;
  - (2) agrees to the variation, cancellation or modification of the rights attached to their Healthscope Shares constituted by or resulting from this Scheme;
  - (3) agrees to, on the direction of Brookfield, destroy any holding statements or share certificates relating to their Healthscope Shares;
  - (4) to the extent they are to receive Scheme Security Consideration as a component of the Scheme Consideration to which they are entitled, agrees to become a member of Brookfield HoldCo and to be bound by the terms of the Brookfield HoldCo Constitution and the Shareholders' Deed as a 'Rollover Shareholder';
  - (5) to the extent they are entitled to Scheme Security Consideration as Scheme Consideration and the Scheme Security Consideration is issued to the Custodian to hold as bare trustee for the Scheme Shareholder, agrees to be bound by the Custodian Deed;
  - (6) who holds their Healthscope Shares in a CHESS Holding agrees to the conversion of those Healthscope Shares to an Issuer Sponsored Holding and irrevocably authorises Healthscope to do anything necessary or expedient (whether required by the Settlement Rules or otherwise) to effect or facilitate such conversion; and
  - (7) acknowledges and agrees that this Scheme binds Healthscope and all Scheme Shareholders (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting).
- (b) Each Scheme Shareholder is taken to have warranted to Healthscope Brookfield and Brookfield on the Implementation Date, and appointed and authorised Healthscope as its attorney and agent to warrant to Brookfield and Brookfield on the Implementation Date, that all their Healthscope Shares (including any rights and entitlements attaching to those shares) which are transferred under this Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind, and that they have full power and capacity to transfer their Healthscope Shares to

Brookfield together with any rights and entitlements attaching to those shares. Healthscope undertakes that it will provide such warranty to Brookfield and Brookfield as agent and attorney of each Scheme Shareholder.

### 8.3 Title to and rights in Scheme Shares

- (a) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to Brookfield will, at the time of transfer of them to Brookfield vest in Brookfield free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) and interests of third parties of any kind, whether legal or otherwise and free from any restrictions on transfer of any kind.
- (b) Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 5, Brookfield will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Healthscope of Brookfield in the Share Register as the holder of the Scheme Shares.

### 8.4 Appointment of sole proxy

- (a) Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 5, and until Healthscope registers Brookfield as the holder of all Scheme Shares in the Share Register, each Scheme Shareholder:
  - (1) is deemed to have appointed Brookfield as attorney and agent (and directed Brookfield in each such capacity) to appoint any director, officer, secretary or agent nominated by Brookfield as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution or document;
  - (2) must not attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a)(1));
  - (3) must take all other actions in the capacity of a registered holder of Scheme Shares as Brookfield reasonably directs; and
  - (4) acknowledges and agrees that in exercising the powers referred to in clause 8.4(a)(1), Brookfield and any director, officer, secretary or agent nominated by Brookfield under clause 8.4(a)(1) may act in the best interests of Brookfield as the intended registered holder of the Scheme Shares.

### 8.5 Authority given to Healthscope

Each Scheme Shareholder, without the need for any further act:

- (a) on the Effective Date, irrevocably appoints Healthscope and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of enforcing the Deed Poll against Brookfield HoldCo and Brookfield Sub, and Healthscope undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against Brookfield



HoldCo and Brookfield on behalf of and as agent and attorney for each Scheme Shareholder; and

- (b) on the Implementation Date, irrevocably appoints Healthscope and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of executing any document or doing or taking any other act necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including (without limitation) executing and delivering:
- (1) the Scheme Transfer as contemplated by clause 4.2;
  - (2) any deed or document required by Healthscope, Brookfield or Brookfield HoldCo that causes each Scheme Shareholder entitled to Brookfield HoldCo Ordinary Shares to be bound by the Shareholders Deed, the Custodian Deed and the Brookfield HoldCo Constitution;
  - (3) any deed or document required by Healthscope, Brookfield or Brookfield HoldCo that causes each Rollover Shareholder to be bound by the Shareholders Deed; and
  - (4) any deed or document required by Healthscope, Brookfield or Brookfield HoldCo that causes each Scheme Shareholder issued Brookfield HoldCo Ordinary Shares under this Scheme to be bound by the constituent documents of any trust for the Scheme Shareholder the trustee of which will hold on bare trust for the Scheme Shareholder the Scheme Shareholder's Brookfield HoldCo Ordinary Shares,

and Healthscope accepts each such appointment. Healthscope as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

## 8.6 Instructions and elections

If not prohibited by law (and including where permitted or facilitated by relief granted by a Government Agency), all instructions, notifications or elections by a Scheme Shareholder to Healthscope that are binding or deemed binding between the Scheme Shareholder and Healthscope relating to Healthscope or Healthscope Shares, including instructions, notifications or elections relating to:

- (a) whether dividends are to be paid by cheque or into a specific bank account;
- (b) payments of dividends on Healthscope Shares; and
- (c) notices or other communications from Healthscope (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by Brookfield in its sole discretion), by reason of this Scheme, to be made by the Scheme Shareholder to Brookfield and to be a binding instruction, notification or election to, and accepted by, Brookfield until that instruction, notification or election is revoked or amended in writing addressed to Brookfield at its registry.

## 8.7 Binding effect of Scheme

This Scheme binds Healthscope and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting to vote on this Scheme, did not vote at the Scheme Meeting, or voted against this Scheme at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of Healthscope.

## 9 General

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### 9.1 Stamp duty

Brookfield Sub:

- (a) will pay, or will procure the payment of, all stamp duty and any related fines and penalties in respect of this Scheme and the Deed Poll, the performance of the Deed Poll and each transaction effected by or made under this Scheme and the Deed Poll; and
- (b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 9.1(a).

### 9.2 Consent

Each of the Scheme Shareholders consents to Healthscope doing all things necessary or incidental to, or to give effect to, the implementation of this Scheme, whether on behalf of the Scheme Shareholders, Healthscope or otherwise.

### 9.3 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Healthscope, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Healthscope's registered office or at the office of the Healthscope Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Healthscope Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

### 9.4 Governing law

- (a) This Scheme is governed by the laws in force in Victoria, Australia.
- (b) The parties irrevocably submit to the exclusive jurisdiction of courts exercising jurisdiction in Victoria, Australia and courts of appeal from them in respect of any proceedings arising out of or in connection with this Scheme. The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

### 9.5 Further action

Healthscope must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

### 9.6 No liability when acting in good faith

Each Scheme Shareholder agrees that neither Healthscope, Brookfield HoldCo nor Brookfield nor any director, officer, secretary or employee of any of those companies shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.



HERBERT  
SMITH  
FREEHILLS

## Attachment B

### Deed Poll

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HERBERT  
SMITH  
FREEHILLS

## Deed poll

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VIG Topco Limited

VIG Bidco Pty Ltd



## Deed poll

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Date ►

This deed poll is made

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By **VIG Bidco Pty Ltd (ACN 631 014 938)**  
of Level 22, 135 King Street, Sydney NSW 2000  
**(Brookfield)**  
and  
**VIG Topco Limited (ACN 631 014 965)**  
of Level 22, 135 King Street, Sydney NSW 2000  
**(Brookfield HoldCo)**

in favour of each person registered as a holder of Healthscope Shares in the Share Register as at the Scheme Record Date.

Recitals

- 1 Healthscope and Brookfield entered into the Implementation Deed.
- 2 In the Implementation Deed, Brookfield agreed to make this deed poll and procure that Brookfield HoldCo make this deed poll.
- 3 Brookfield HoldCo and Brookfield are making this deed poll for the purpose of covenanting in favour of the Scheme Shareholders to perform their obligations under the Implementation Deed and the Scheme.

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This deed poll provides as follows:

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## 1 Definitions and interpretation

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### 1.1 Definitions

(a) The meanings of the terms used in this deed poll are set out below.

Term	Meaning
<b>First Court Date</b>	the first day on which an application made to the Court for an order under subsection 411(1) of the Corporations Act convening the

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Term	Meaning
	Scheme Meeting to consider the Scheme is heard.
<b>Implementation Deed</b>	the implementation deed between Healthscope and Brookfield dated 1 February 2019.
<b>Scheme</b>	the scheme of arrangement under Part 5.1 of the Corporations Act between Healthscope and the Scheme Shareholders, the form of which is set out in Attachment A to the Implementation Deed, subject to any alterations or conditions made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Healthscope and Brookfield.

(b) Unless the context otherwise requires, terms defined in the Scheme have the same meaning when used in this deed poll.

## 1.2 Interpretation

Sections 1.2, 1.3 and 1.4 of the Scheme apply to the interpretation of this deed poll, except that references to “this Scheme” are to be read as references to “this deed poll”.

## 1.3 Nature of deed poll

Brookfield HoldCo and Brookfield acknowledge that:

- (a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints Healthscope and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney to enforce this deed poll against Brookfield HoldCo and Brookfield.

# 2 Conditions to obligations

## 2.1 Conditions

This deed poll and the obligations of Brookfield HoldCo and Brookfield under this deed poll are subject to the Scheme becoming Effective.

## 2.2 Termination

The obligations of Brookfield HoldCo and Brookfield under this deed poll to the Scheme Shareholders will automatically terminate and the terms of this deed poll will be of no force or effect if:

- (a) the Implementation Deed is terminated in accordance with its terms; or

- (b) the Scheme is not Effective on or before the End Date,  
unless Brookfield HoldCo, Brookfield and Healthscope otherwise agree in writing.

## 2.3 Consequences of termination

If this deed poll terminates under clause 2.2, in addition and without prejudice to any other rights, powers or remedies available to it:

- (a) Brookfield HoldCo and Brookfield are released from their obligations to further perform this deed poll except those obligations under clause 7.1 and any other obligations which by their nature survive termination; and
- (b) each Scheme Shareholder retains the rights they have against Brookfield HoldCo and Brookfield in respect of any breach of this deed poll which occurred before it was terminated.

# 3 Scheme obligations

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## 3.1 Undertaking to provide Scheme Consideration

Subject to clause 2, each of Brookfield HoldCo and Brookfield undertake in favour of each Scheme Shareholder to:

- (a) in relation to the Scheme Cash Consideration, by no later than 1 Business Day before the Implementation Date, deposit, or procure the deposit of, in cleared funds an amount equal to the aggregate amount of the Scheme Cash Consideration payable to all Scheme Shareholders into the Trust Account (provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to Brookfield's account);
- (b) in relation to the Scheme Scrip Consideration, on the Implementation Date, and subject to the Scaleback Arrangements, issue, or procure the issue of, Brookfield HoldCo Securities to each Scheme Shareholder (if any) or the Custodian entitled to receive the Scheme Scrip Consideration; and
- (c) undertake, or procure the undertaking of, all other actions and obligations attributed to any of them under the Scheme,

subject to and in accordance with the provisions of the Scheme.

## 3.2 Scheme Security Consideration to rank equally

- (a) Each of Brookfield HoldCo and Brookfield covenants in favour of each Scheme Shareholder that the Brookfield HoldCo Ordinary Shares issued to each Scheme Shareholder in accordance with the Scheme will at the time they are issued:
  - (1) rank equally with all existing Brookfield HoldCo Ordinary Shares;
  - (2) be duly and validly issued in accordance with applicable laws and the Brookfield HoldCo Constitution and the Shareholders' Deed; and
  - (3) be issued fully paid and free from any mortgage, charge, lien, encumbrance or other security interest, or any third party right.



- (b) Each of Brookfield HoldCo and Brookfield covenants in favour of each Scheme Shareholder that the Brookfield HoldCo Preference Shares issued as Scheme Security Consideration will at the time they are issued:
- (1) rank equally with all existing Brookfield HoldCo Preference Shares;
  - (2) be duly and validly issued in accordance with applicable laws and the Brookfield HoldCo Constitution and the Shareholders' Deed; and
  - (3) be issued fully paid and free from any mortgage, charge, lien, encumbrance or other security interest, or any third party right.

## 4 Warranties

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Each of Brookfield and Brookfield HoldCo represents and warrants in favour of each Scheme Shareholder, in respect of itself, that:

- (a) it is a corporation validly existing under the laws of its place of registration;
- (b) it has the corporate power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance of this deed poll and to carry out the transactions contemplated by this deed poll;
- (d) this deed poll is valid and binding on it and enforceable against it in accordance with its terms; and
- (e) this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.

## 5 Continuing obligations

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This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) Brookfield HoldCo and Brookfield have fully performed their obligations under this deed poll; or
- (b) the earlier termination of this deed poll under clause 2.

## 6 Notices

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### 6.1 Form of Notice

A notice or other communication in respect of this deed poll (**Notice**) must be:

- (a) in writing and in English and signed by or on behalf of the sending party; and
- (b) addressed to Brookfield HoldCo and Brookfield in accordance with the details set out below (or any alternative details nominated by Brookfield or Brookfield HoldCo by Notice).



**Attention** Mandy Chiang

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**Address** Level 22, 135 King Street, Sydney NSW 2000

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**Email address** mandy.chiang@brookfield.com

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## 6.2 How Notice must be given and when Notice is received

- (a) A Notice must be given by one of the methods set out in the table below.
- (b) A Notice is regarded as given and received at the time set out in the table below.

However, if this means the Notice would be regarded as given and received outside the period between 9.00am and 5.00pm (addressee's time) on a Business Day (**business hours period**), then the Notice will instead be regarded as given and received at the start of the following business hours period.

Method of giving Notice	When Notice is regarded as given and received
By hand to the nominated address	When delivered to the nominated address
By pre-paid post to the nominated address	At 9.00am (addressee's time) on the second Business Day after the date of posting
By email to the nominated email address	When the email (including any attachment) comes to the attention of the recipient party or a person acting on its behalf.

## 7 General

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### 7.1 Stamp duty

Brookfield:

- (a) will pay, or will procure the payment of, all stamp duty and any related fines and penalties in respect of the Scheme and this deed poll, the performance of this deed poll and each transaction effected by or made under or in connection with the Scheme and this deed poll; and
- (b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 7.1(a).



## 7.2 Governing law and jurisdiction

- (a) This deed poll is governed by the law in force in Victoria, Australia.
- (b) Brookfield HoldCo and Brookfield irrevocably submit to the exclusive jurisdiction of courts exercising jurisdiction in Victoria and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed poll. Brookfield HoldCo and Brookfield irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

## 7.3 Waiver

- (a) Brookfield HoldCo and Brookfield may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver.
- (b) The meanings of the terms used in this clause 7.3 are set out below.

Term	Meaning
<b>conduct</b>	includes delay in the exercise of a right.
<b>right</b>	any right arising under or in connection with this deed poll and includes the right to rely on this clause.
<b>waiver</b>	includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

## 7.4 Variation

A provision of this deed poll may not be varied unless the variation is agreed to by Brookfield HoldCo and Brookfield and:

- (a) if before the First Court Date, the variation is agreed to by Healthscope; or
- (b) if on or after the First Court Date, the variation is agreed to by Healthscope and the Court indicates that the variation would not of itself preclude approval of the Scheme,

in which event Brookfield HoldCo and Brookfield will enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

## 7.5 Cumulative rights

The rights, powers and remedies of Brookfield HoldCo, Brookfield and the Scheme Shareholders under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this deed poll.



## **7.6 Assignment**

- (a) The rights created by this deed poll are personal to the Brookfield HoldCo, Brookfield and each Scheme Shareholder and must not be dealt with at law or in equity without the prior written consent of Brookfield HoldCo and Brookfield.
- (b) Any purported dealing in contravention of clause 7.6(a) is invalid.

## **7.7 Joint and several obligations**

Brookfield HoldCo and Brookfield are jointly and severally liable for each obligation imposed on both of them by the terms of this deed poll.

## **7.8 Further action**

Brookfield HoldCo and Brookfield must, at their own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.



HERBERT  
SMITH  
FREEHILLS

## Signing page

Executed as a deed poll

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Signed sealed and delivered by  
**VIG Topco Limited**  
by

*sign here* ► \_\_\_\_\_  
Company Secretary/Director

*sign here* ► \_\_\_\_\_  
Director

*print name* \_\_\_\_\_

*print name* \_\_\_\_\_

Signed sealed and delivered by  
**VIG Bidco Pty Ltd**  
by

*sign here* ► \_\_\_\_\_  
Company Secretary/Director

*sign here* ► \_\_\_\_\_  
Director

*print name* \_\_\_\_\_

*print name* \_\_\_\_\_



HERBERT  
SMITH  
FREEHILLS

## Attachment C

### Shareholders' Deed Term Sheet

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## Shareholders Agreement Term Sheet

This Term Sheet outlines the key terms and principles governing the parties' proposed investment in the new holding company of the Healthscope group (**Company**) following a subsidiary of the Company acquiring all of the shares in Healthscope Limited (**Healthscope**) by way of a scheme of arrangement (**Transaction**).

Equity structure		
1	Shareholders	<p>The shareholders in the Company (<b>Shareholders</b>) will be:</p> <ul style="list-style-type: none"> <li>one or more institutional investors, via their affiliated funds and/or investment vehicles (<b>Investors</b>); and</li> <li>existing shareholders in Healthscope who elect to receive scrip consideration for some or all of their Healthscope shares (<b>Rollover Shareholders</b>).</li> </ul> <p>If the Company determines to issue shares under a Staff Equity Plan (see below), management, medical specialists and any other relevant staff of Healthscope (or their affiliates) who are invited to participate in the Staff Equity Plan will also be Shareholders.</p>
2	Classes of Securities	<p>The Company will issue ordinary shares and a strip of fixed return instruments. "Class A" ordinary shares (<b>Class A Shares</b>) and unsecured loan notes (<b>Loan Notes</b>) will be issued to the Investors.</p> <p>"Class B" ordinary Shares (<b>Class B Shares</b>) and fixed coupon, redeemable preference shares (<b>Preference Shares</b>) will be issued to the Rollover Shareholders.</p> <p>Class A Shares and Class B Shares (collectively <b>Voting Shares</b>) will have the same economic rights. All Voting Shares will have the same rights to attend and vote at general meetings and on written resolutions of members and carry one vote per Voting Share on a poll.</p> <p>If any Class B Shares are transferred to an Investor, they will automatically convert into Class A Shares and, conversely, if any Class A Shares are transferred to a Rollover Shareholder, they will automatically convert into Class B Shares.</p> <p>Loan Notes and Preference Shares will have the same fixed dividend/interest rate and have pari passu rights to payment of dividends/interest by the Company. Preference Shares will not be convertible into ordinary shares. The key terms of the Loan Notes and Preference Shares are set out in the Annexure to this Term Sheet.</p> <p>For the purposes of determining the Shareholders' pro rata Security ownership percentages and other relevant proportions under the Shareholders Agreement, each Voting Share, Loan Note and Preference Share will be counted as one Security and Loan Notes and Preference Shares will be treated as if they were the same class of Security.</p> <p>If a situation arises in which an Investor is entitled to acquire Preference Shares (for example under the right of first refusal process described below), the Investor may request that it acquire, or the Board may require that the Investor acquires, Loan Notes rather than Preference Shares. Any such substitution of Loan Notes for Preference Shares may be achieved through the redemption or buy-back and cancellation of the Preference Shares and the application of the redemption/buy-back proceeds in payment of the face value for newly-issued Loan Notes.</p>
3	Governing Documents	<p>The rights and obligations of the Shareholders in respect of the Securities will be governed by a Shareholders Agreement and the constitution of the Company.</p> <p>If there is any inconsistency between the constitution or the loan notes deed poll under which the Loan Notes are issued and the Shareholders Agreement, the Shareholders Agreement will prevail.</p>
4	Custodian	<p>The Securities acquired by Rollover Shareholders who are not institutional</p>

	<b>arrangements</b>	<p>investors will be held by a third-party professional custodian as bare trustee for those Rollover Shareholders (unless otherwise approved by the Board, with Investor Majority approval).</p> <p>The Shareholders Agreement will include provisions to ensure that the rights and obligations of the relevant Rollover Shareholders in respect of their Securities are neither diminished nor enhanced as a result of the custodian arrangements. This includes that: (1) the Rollover Shareholders will have Director appointment rights on the same basis as if they held their Securities directly, (2) the custodian will only vote Voting Shares as directed by the relevant Rollover Shareholder who is the beneficial holder of those Voting Shares, (3) Rollover Shareholders will be entitled to be paid dividends on their Securities on the same basis as if they held legal title to those Securities, and (4) the transfer provisions in the Shareholders Agreement will apply to transfers by the custodian as bare trustee for a Rollover Shareholder and to transfers of the beneficial interests in Securities by a Rollover Shareholder, on the same basis as they apply to the Rollover Shareholder.</p>
5	<b>Staff Equity Plan</b>	<p>Following completion of the Transaction, the Company will consider establishing a staff equity plan (<b>Staff Equity Plan</b>). The Staff Equity Plan rules will be separately documented i.e. participants in the Staff Equity Plan will not be parties to the Shareholders Agreement but will instead be subject to separate Staff Equity Plan rules.</p> <p>If a Staff Equity Plan is established, the participants in the Staff Equity Plan will either be issued with a different class of share or other Security which does not have voting rights, or the Company may utilise a phantom equity structure under which the relevant participants acquire synthetic equity rights.</p> <p>The Securities or synthetic equity rights issued under the Staff Equity Plan will not represent more than 5% of the fully-diluted equity of the Company unless otherwise approved by Special Shareholder Approval.</p>
6	<b>Key definitions</b>	<p>In this Term Sheet:</p> <ul style="list-style-type: none"> <li>• <b>Appointor Shareholder</b> means from time to time, a Shareholder who (either in its own right or with its Permitted Transferees) has, or had at any time in the prior 12 months, one or more nominee Directors appointed to the Board and/or has an affiliated Board observer.</li> <li>• <b>Board</b> means the board of directors of the Company and <b>Director</b> means a director of the Company.</li> <li>• <b>Competing Shareholder</b> means a Shareholder who has, or any of whose Affiliates has, an Interest in a Competitor.</li> <li>• <b>Competitor</b> means any person who: (i) directly or indirectly competes with any business operated by the Group from time to time (including any new business which the Group is actively taking steps to establish or acquire, or which the Company's then applicable business plan contemplates will be established or acquired), (ii) directly or indirectly controls, or is controlled by, a person referred to in subparagraph (i), or (iii) has an Interest in a person referred to in subparagraph (i).</li> <li>• <b>Exit</b> means (i) a disposal of at least 50% of the Securities; (ii) the Company selling any business or assets of the Group which generate 50% or more of the earnings of the Group; or (iii) the Group undertaking an initial public offering (including any secondary offering) (<b>IPO</b>) on a recognised stock exchange.</li> <li>• <b>Group</b> means the Company and its subsidiaries and other controlled entities and <b>Group Member</b> means any of them.</li> <li>• <b>Interest</b> means: (i) a direct or indirect ownership interest other than a passive ownership interest of 5% or less which does not confer any control, information or governance rights, or (ii) to otherwise carry on, manage, advise, participate in, establish, provide equity or debt funding to (other than debt funding in the course of a genuine business of lending to third parties) or otherwise be directly or indirectly involved in.</li> <li>• <b>Investor Majority</b> means Investors holding more than 50% of the Class A Shares.</li> <li>• <b>Key Supplier</b> means a person who is a material supplier to the Group or</li> </ul>

		<p>otherwise has a material contractual relationship with the Group (for example, suppliers of medical technology and private health insurers).</p> <ul style="list-style-type: none"> <li>• <b>Securities</b> means shares and other securities issued by the Company to the Shareholders, including Voting Shares, Loan Notes and Preference Shares.</li> <li>• <b>Special Director Approval</b> means approval by at least 1 Class B Director (for so long as there is at least 1 Class B Director appointed) and Class A Directors exercising a majority of the aggregate number of votes exercisable by the Class A Directors.</li> <li>• <b>Special Shareholder Approval</b> means approval by an Investor Majority and Rollover Shareholders holding more than 50% (by number) of the Securities held by all Rollover Shareholders.</li> </ul>
<b>Board and management</b>		
<b>7</b>	<b>Board size</b>	The maximum number of Directors will be 9 or such other number of Directors as approved by Special Director Approval from time to time.
<b>8</b>	<b>Appointment of Directors</b>	<p>A Rollover Shareholder who, together with its Permitted Transferees, holds 20% or more of the Voting Shares will be entitled to appoint and remove one Director (<b>Class B Director</b>) for every 20% (by number) of the Voting Shares held by them, provided that the Rollover Shareholder and its Permitted Transferees are not Competing Shareholders. A Class B Director must be an Australian citizen who is ordinarily resident in Australia.</p> <p>Investors holding Class A Shares will be entitled to appoint and remove the remaining balance of the Directors after accounting for the Class B Director(s), up to the maximum Board size (each a <b>Class A Director</b>). The right to appoint the Class A Directors will be determined by the Investor Majority.</p> <p>A Competing Shareholder will not be entitled to appoint a Director regardless of the number of Voting Shares which it and its Permitted Transferees hold (unless otherwise approved by an Investor Majority, and the Investor Majority will act reasonably in considering any request from a Competing Shareholder for consent to appoint a Director, subject to appropriate confidentiality protocols being put in place). An Appointor Shareholder who becomes a Competing Shareholder must take immediate steps to remove each Director appointed by it and/or its Permitted Transferees, failing which any other appointed Director may serve a notice of resignation on behalf of the relevant Director(s). An observer who is affiliated with a Shareholder who becomes a Competing Shareholder will immediately cease to have the right to be a Board observer.</p>
<b>9</b>	<b>Board meetings</b>	<p>The Board will meet at intervals resolved from time to time by the Board.</p> <p>The quorum for a meeting of the Board will be:</p> <ul style="list-style-type: none"> <li>• one Class A Director; and</li> <li>• for so long as there is one or more Class B Directors appointed, one Class B Director.</li> </ul> <p>If a quorum is not present for a Board meeting, the Board meeting must be adjourned to the same time and place on the date 2 business days after the date of the original meeting and the quorum at the reconvened meeting of the Board will be at least one Class A Director.</p>
<b>10</b>	<b>Director voting</b>	<p>Each Director will have one vote, subject to the below.</p> <p>If:</p> <ul style="list-style-type: none"> <li>• a Director is absent or unable to vote for any reason and there is no alternate director present and able to vote on the Director's behalf; and/or,</li> <li>• the Investors have not appointed the maximum number of Class A Directors they are entitled to appoint at that time (after accounting for the Class B Directors),</li> </ul> <p>then the remaining Director(s), if any, appointed by the relevant appointing Shareholder(s) will be entitled to exercise the vote(s) of the Director(s) who are not present or unable to vote and/or which would have been exercisable by the Class A Directors who have not been appointed, as the case may be.</p> <p>A written resolution may be passed by the Directors if the resolution is circulated to all of the Directors and signed by those Directors capable of passing the</p>

		relevant resolution at a Board meeting.
11	<b>Board observers</b>	<p>The Board, with Investor Majority approval, may consent to the appointment of one or more Board observers on terms it determines.</p> <p>Board observers will have the same rights to receive Board notices and information as Directors but will not be entitled to vote or speak at any Board meeting.</p>
12	<b>Chairperson</b>	<p>The Chair of the Board will be appointed and removed by the Class A Directors. The Chair will not have a casting vote in addition to his or her vote as a Director.</p>
13	<b>Board resolutions</b>	<p>Decisions of the Board will be decided by majority, except for the following actions, which will require Special Director Approval:</p> <ul style="list-style-type: none"> <li>• <b>(Constitution)</b> amending or varying the constitution of the Company.</li> <li>• <b>(Vary rights)</b> adversely varying the rights attaching to the Class B Shares or the Preference Shares. For the avoidance of doubt, an action which effects the Class A Shares and the Class B Shares and/or the rights attaching to the Loan Notes and the Preference Shares in the same manner, will not be treated as a variation of rights for this purpose.</li> <li>• <b>(Winding up)</b> taking any step to wind up any operational Group Member, except in the case of insolvency or impending insolvency or following a disposal of all of substantially all of the assets of the Group Member.</li> <li>• <b>(Securities)</b> issuing or granting any right to issue or acquire Securities other than an issue of Securities in accordance with the pre-emptive rights described below or one of the specified exceptions to the pre-emptive rights.</li> <li>• <b>(Auditor)</b> appointing or removing an auditor of a Group Member other than EY, Deloitte, PwC and KPMG.</li> <li>• <b>(Audit committee recommendation)</b> taking any action which contravenes a recommendation of the audit committee, if any.</li> <li>• <b>(Related party transactions)</b> entering into or materially varying any contract between a Group Member and any current or proposed Shareholder or Affiliate of a Shareholder other than in connection with an Exit or an arrangement which is on arms-length terms.</li> <li>• <b>(Accounting standards, policies and principles)</b> materially altering the accounting standards or principles previously adopted by the Group for the preparation of financial statements, except if required to do so by law.</li> <li>• <b>(Accounting period)</b> changing the balance date or altering the accounting period of any Group Member.</li> </ul> <p>For clarity, the requirement of Special Director Approval in accordance with the Shareholders Agreement is in addition to any approval of Shareholders required under the <i>Corporations Act 2001</i> (Cth) (<b>Corporations Act</b>).</p>
14	<b>Directors' fees and expenses</b>	<p>Any independent Director who is not an employee of a Shareholder or affiliate of a Shareholder will be paid a director fee determined by the Board, with Investor Majority approval, from time to time. Other Directors will not be entitled to any fees for acting as Directors.</p> <p>Directors will be reimbursed their reasonable costs associated with discharging their directorship, other than travel costs associated with attending Board meetings (which will be the responsibility of Directors unless otherwise determined by the Board with Investor Majority approval).</p>
15	<b>Delegation</b>	<p>The Board, acting by majority and with Investor Majority approval, may establish one or more committees of the Board and delegate or revoke authority to such committees as it considers appropriate.</p> <p>The Board may also delegate and revoke authority to executive management, subject to any conditions it wishes to impose on the delegated authority.</p> <p>No matter requiring Special Director Approval may be delegated to a committee or executive management without Special Director Approval.</p>
<b>Further equity capital raisings</b>		
16	<b>No obligation to fund or provide</b>	No Shareholder will have any obligation to contribute further funding or another

	<b>credit support</b>	form of credit support to the Company.
<b>17</b>	<b>New Securities</b>	<p>If the Company proposes to issue any new Securities, it must first offer each Investor and Rollover Shareholder the right to subscribe for their pro rata proportion of those Securities (based on the proportion of the Securities on issue held by them), subject to the exceptions below.</p> <p>Shareholders who take up their full entitlement may offer to subscribe for new Securities which are not taken up by non-subscribing Shareholders (<b>Shortfall</b>), provided that if the offers to take up a Shortfall exceed the actual number of Shortfall Securities, the Shortfall will be allocated between those Shareholders pro rata based on the proportion of the Securities on issue held by them (subject to no such Shareholder being required to take-up more Shortfall Securities than it has offered to take up).</p> <p>Any new Securities that are not subscribed for by existing Shareholders may be issued to any other person determined by the Board at a price not less than 90% of the price at which they were offered to the existing Shareholders and within 180 days of the conclusion of the pre-emptive process.</p> <p>If Voting Shares and/or fixed return instruments are offered, (1) each Shareholder must be offered the same class(es) of Securities which they already hold i.e. Investors must be issued Class A Shares and/or Loan Notes and Rollover Shareholders must be issued with Class B Shares and/or Preference Shares, and (2) a Shareholder may only offer to subscribe for the same proportion of the number of Securities in each class which were offered to the Shareholder i.e. a Shareholder can offer to subscribe for 50% of the Voting Shares and 50% of the Loan Notes/Preference Shares which it is entitled to but not 100% of the Voting Shares it is entitled to and none of the Loan Notes/Preference Shares.</p> <p>If a Shareholder needs a regulatory approval to acquire any Securities either on a new issue or on completion of any ROFR or compulsory disposal process, the relevant acceptance period will be extended as needed to enable that approval to be obtained (such additional period being determined by the Board acting reasonably after consultation with the relevant Shareholder).</p>
<b>18</b>	<b>Exceptions</b>	<p>The above pre-emptive rights on a new issue of Securities will not apply to an issue of Securities:</p> <ul style="list-style-type: none"> <li>• <b>(Special Shareholder Approval)</b> if Special Shareholder Approval has approved the pre-emptive rights not applying;</li> <li>• <b>(debt provider)</b> to a provider of debt finance (or any agent, trustee or nominee of a provider of debt finance) in connection with any bona fide third party debt finance provided to a Group Member (including any restructuring of existing debt);</li> <li>• <b>(IPO)</b> in connection with an IPO;</li> <li>• <b>(M&amp;A consideration)</b> as non-cash consideration provided for an acquisition by a Group Member;</li> <li>• <b>(emergency funding)</b> to fund an emergency funding requirement, provided that each non-funding Shareholder has an opportunity thereafter to "catch-up" for its pro-rata share of the emergency funding by having the funding Shareholder(s) transfer to it, and/or the Company issue to it, its pro-rata share of the Securities issued on the same terms;</li> <li>• <b>(convertible Securities)</b> on conversion of any convertible Securities, provided those convertible Securities were offered under the pre-emptive rights or were otherwise exempt from the process by reason of one of the other exceptions described in this section;</li> <li>• <b>(reorganisation)</b> in connection with any bona fide corporate restructuring or reorganisation, including as part of an Exit;</li> <li>• <b>(Staff Equity Plan)</b> under the Staff Equity Plan or any other Board-approved management or staff incentive plan;</li> <li>• <b>(substitution of Securities)</b> resulting from a variation of rights attaching to existing Voting Shares so that they become another class of Voting Share or a substitution of Preference Shares for Loan Notes as described above; or</li> <li>• <b>(Transaction-related issuances)</b> in connection with the Transaction.</li> </ul>

Transfer of Securities		
19	Disposal of Securities generally	<p>A Shareholder must not dispose of any of its Securities (or any interest in them), except for:</p> <ul style="list-style-type: none"> <li>transfers to its permitted affiliates, including for any Shareholder that is a fund or controlled by a fund, in any 'in kind' distribution to investors within the fund (each a <b>Permitted Transferee</b>);</li> <li>disposals by a Rollover Shareholder under the right of first refusal (<b>ROFR</b>);</li> <li>a disposal by an Investor, provided that the Investor has complied with the tag along provision if it is applicable;</li> <li>disposals under the drag along provision;</li> <li>disposals in connection with an Exit, including as part of any bona fide corporate restructuring or reorganisation to achieve an Exit;</li> <li>disposals under the compulsory disposal regime on default by a Shareholder (refer below); and</li> <li>disposals under the compulsory disposal regime for Small Holdings (refer below).</li> </ul> <p>Notwithstanding any disposal right:</p> <ul style="list-style-type: none"> <li>no Securities may be disposed of by any Shareholder to a Competitor or otherwise acquired by a Competitor other than: <ul style="list-style-type: none"> <li>in a disposal of at least 66.67% of the aggregate number of all Securities held by all Investors and Rollover Shareholders, or in another transaction in which the tag along rights or drag along rights are exercisable; or</li> <li>with Special Shareholder Approval; and</li> </ul> </li> <li>no Securities may be disposed of if it would require the Company to prepare a prospectus or other disclosure document or otherwise breach any applicable law (including the Corporations Act) or if it would result in the Company having more than 50 members (determined as if all Securities convertible into shares of any class had been so converted).</li> </ul>
20	Exit	<p>An Investor Majority may give notice at any time to the Company that it wishes to pursue an Exit. The Investor Majority may appoint (on behalf of the Company) the financial and legal advisers to advise the Shareholders and the Company on achieving the Exit.</p> <p>All parties must provide all reasonable assistance and cooperation which is appropriate to achieve an Exit (including signing all documents, doing all required acts and providing all relevant consents and approvals).</p> <p>If there is an Exit, tag transaction or drag transaction: (i) Appointor Shareholders may be required by an Investor Majority to give business warranties and indemnities provided that warranty and indemnity insurance, an escrow arrangement or another comparable arrangement in relation to those warranties and indemnities is made available to the Appointor Shareholders (subject to the Appointor Shareholders bearing their proportionate cost of such arrangements), and (ii) other Shareholders will only be required to give title, capital and solvency warranties and indemnities, which must be unqualified by disclosure or other matters. In each case, a Shareholder's liability for all such warranties and indemnities will be capped at the proceeds payable to the Shareholder (before any deductions for tax or other matters).</p> <p>If an IPO is undertaken,</p> <ul style="list-style-type: none"> <li>each Shareholder must comply with any escrow requirements determined by the Board after taking advice from the IPO's lead manager(s); and</li> <li>the Company will procure that the IPO vehicle enters into a relationship deed with the Investors under which, amongst other things, the Investors will have the right to appoint up to 3 directors to the IPO vehicle for so long as they hold at least 20% of the securities in the IPO vehicle and up to 2 directors to the IPO vehicle for so long as they hold at least 10% of the securities in the IPO vehicle, and the IPO vehicle agrees to give a cleansing statement under s708A of the Corporations Act on the request of the Investors if any of them</li> </ul>

		propose to sell-down their securities in the IPO vehicle.
21	<b>Right of first refusal</b>	<p>A Rollover Shareholder may transfer all of its Securities to a bona fide third party if it first complies with the ROFR.</p> <p>A Rollover Shareholder (<b>ROFR Seller</b>) may initiate the ROFR by giving the Company no less than 40 business days' notice that it wishes to transfer all of its Securities (<b>Sale Securities</b>). The notice must specify the terms on which the ROFR Seller is prepared to sell the Sale Securities, including the cash price for the Sale Securities.</p> <p>The Board, with Special Director Approval, may determine that the Sale Securities will be bought-back, redeemed and/or cancelled (which may be by way of a capital reduction) at the same price as the ROFR Seller is proposing to sell the Sale Securities.</p> <p>If the Board does not make such a determination within 20 business days of the notice, the Company will issue a notice to the Investors and Rollover Shareholders on behalf of the ROFR Seller offering those Investors and Rollover Shareholders the first right to elect to purchase the Sale Securities. The other Investors and Rollover Shareholders will then have a period of not less than 10 business days to determine whether to accept the offer for the Sale Securities (and any such other Investor or Rollover Shareholder may offer to purchase more than its pro rata allocation).</p> <p>If one or more Shareholders accept the offer to purchase the Sale Securities, the ROFR Seller will be bound to sell the Sale Securities to the accepting Shareholder or Shareholders, provided that no sale will be required if the aggregate acceptances received are for less than all of the Sale Securities offered. If multiple Shareholders accept the offer for, in aggregate, more than the number of Sale Securities, the Sale Securities will be allocated between those Shareholders pro rata, based on their respective holdings of Securities, up to the maximum number of Sale Securities which each of those Shareholders has elected to purchase.</p> <p>If the Sale Securities are not all sold to the other Investors and Rollover Shareholders, the unsold Sale Securities may be sold by the ROFR Seller to a bona fide third party in the 90 days following the end of the ROFR offer period at a price per Sale Security which is no less than the price at which the Sale Securities were offered to the other Shareholders and otherwise on terms which are no more favourable to the buyer.</p> <p>For clarity, the ROFR will not apply in relation to the other permitted transfers listed above in section 19.</p>
22	<b>Tag along rights</b>	<p>If an Investor intends to dispose of more than 50% (by number) of the Securities held by all Investors to a third party (other than in the circumstances described below), the Investor must provide a tag along option to the other Investors and the Rollover Shareholders. The tag along option gives the other Investors and the Rollover Shareholders the right to request the selling Investor to include in the disposal the same proportion of their Securities as the proportion of the Investor's Securities which it is disposing (in the same proportion of Voting Shares and fixed return instruments).</p> <p>The number of tagging Securities may be "scaled back" if the relevant buyer is not willing to purchase all of those Securities (or another relevant disposal cannot be implemented such as a redemption of Loan Notes or Preference Shares) provided the scale back is undertaken proportionately across all of the Securities proposed to be disposed of by the initiating Investor and the tagging Shareholders.</p> <p>The tag along rights will not apply to any transfer: (i) to a Permitted Transferee; (ii) required under the compulsory disposal regime for default by a Shareholder or for Small Holdings; (iii) if the disposal is a substitution of Securities as described above; (iv) to an Investor or Rollover Shareholder under the ROFR or to a third party if the relevant ROFR Seller has previously complied with the ROFR; or (v) in connection with an IPO.</p>
23	<b>Drag-along rights</b>	<p>If an Investor Majority wishes to sell some or all of its Securities to a third party, the Investor Majority will be entitled to require the other Shareholders to also sell a proportionate number of their Securities (in the same proportion of Voting</p>

		<p>Shares and Loan Notes/Preference Shares as the Investors are disposing) to the proposed buyer, for the same price per Voting Share as the price payable to the Investor Majority (or, in the case of a fixed return instrument, the redemption or repayment amount per Loan Note or Preference Share).</p> <p>This drag along right will not apply to: (i) a transfer of Securities to a Permitted Transferee; (ii) a transfer required under the compulsory disposal regime for default by a Shareholder or for Small Holdings; or (iii) securities in the IPO vehicle (for clarity, this exception does not limit any Shareholder's IPO assistance obligations including any obligation to exchange its Securities for securities in the IPO vehicle).</p>
24	<b>Compulsory disposals on default</b>	<p>If a:</p> <ul style="list-style-type: none"> <li>• Shareholder becomes insolvent;</li> <li>• Shareholder breaches its obligations under a material provision in the Shareholders Agreement (including a breach of the Exit provisions, confidentiality obligations or a restrictive covenant) and, if the breach is capable of remedy, fails to remedy that breach within the period prescribed by the Board (which may not be less than 10 business days of receiving notice to do so);</li> <li>• Rollover Shareholder suffers an upstream change of control (for the purposes of the Shareholders Agreement, it will not be an upstream change of control, or otherwise prohibited, (1) if a Rollover Shareholder complies with the ROFR and becomes entitled to transfer its Securities to a third party but, instead of transferring those Securities, determines to transfer the securities in the Shareholder or its upstream parent on substantively the same economic terms as the Shareholder was entitled to transfer the Securities, or (2) if the Rollover Shareholder is, or is controlled by, a superannuation fund and the upstream change of control results from a genuine merger of superannuation funds); or</li> <li>• Permitted Transferee of a Shareholder ceases to be a permitted transferee of that Shareholder and the Securities of the former Permitted Transferee are not transferred to the original transferor Shareholder or another Permitted Transferee of that Shareholder within 10 business days of notice to do so,</li> </ul> <p>then that Shareholder and its Permitted Transferees (<b>Defaulting Shareholders</b>) will be subject to a compulsory disposal regime.</p> <p>The Board, with consent of the Defaulting Shareholders, may determine that the Securities held by the Defaulting Shareholders will be bought-back, redeemed and/or cancelled (which may be by way of a capital reduction) at the Compulsory Disposal Price per Security.</p> <p>If the Board does not make such a determination or such consent is not obtained within 20 business days of the Board becoming aware that there are Defaulting Shareholders, the Investors and Rollover Shareholders will have the option to acquire the Securities held by the Defaulting Shareholders pro rata, based on their respective holdings of Securities (and any such other Shareholder may offer to purchase more than its pro rata allocation) and for the Compulsory Disposal Price per Security. If multiple Shareholders take up the option for in aggregate more than the number of Securities held by the Defaulting Shareholders, the Defaulting Shareholders' Securities will be allocated between the exercising Shareholders pro rata, based on their respective holdings of Securities, up to the maximum number of Securities which each of those Shareholders has elected to purchase.</p> <p>Any Securities held by the Defaulting Shareholders which are not acquired by the Investors and Rollover Shareholders may be compulsorily transferred by the Board to any person it determines on terms it determines.</p> <p>The Compulsory Disposal Price for a Security under any compulsorily disposal will be:</p> <ul style="list-style-type: none"> <li>• in the case of Shareholder insolvency, in the case of a Loan Note or Preference Share, its face value or issue price (as applicable) plus any accrued interest or coupon, or in the case of another Security, its market value; and</li> </ul>

		<ul style="list-style-type: none"> <li>in any case of material breach, upstream change of control or ceasing to be a Permitted Transferee, 90% of the market value of the Security or, in the case of a Loan Note or Preference Share, 90% of its face value or issue price (as applicable) plus any accrued interest or coupon.</li> </ul>
25	<b>Compulsory disposal of Small Holdings</b>	<p>After a standstill period of 12 months, the Board may issue a notice to any Rollover Shareholder holding a parcel of Securities which had an aggregate issue price and face value of \$10,000 or less as at implementation of the Transaction (<b>Small Shareholder</b>) requiring:</p> <ul style="list-style-type: none"> <li>that the Securities held by the Small Shareholder be bought-back, redeemed and/or cancelled (which may be by way of a capital reduction); and/or</li> <li>that the Small Shareholder's Securities be transferred to one or more Shareholders or third parties nominated by the Board.</li> </ul> <p>The price payable per Security to a Small Shareholder for any such compulsory disposal of its Securities will be, in the case of a Preference Share, its issue price plus any accrued coupon, or in the case of a Class B Share, the market value of the Security at the time of the compulsory disposal.</p> <p>A Small Shareholder will be required to comply with any such notice and facilitate the compulsory disposal of their Securities.</p>
<b>Other Issues</b>		
26	<b>Distributions</b>	Subject to applicable law and the restrictions set out in the Group's debt finance documents from time to time, dividends will be payable as determined by the Board.
27	<b>Protection of the Group's business</b>	<p>Each Shareholder will covenant that it will not, and will procure that its affiliates do not, directly or indirectly, do any of the following:</p> <ul style="list-style-type: none"> <li>employ or solicit away from the Group any officer, senior employee or medical specialist of the Group;</li> <li>take any action which could reasonably be expected to adversely interfere in any material respect with the relationship between a Group Member and any of its material customers or suppliers or any other significant commercial relationship of the Group (which, in the case of any Shareholder who has an Interest in a Key Supplier, will not include taking actions in the ordinary course of business of the Key Supplier so long as the confidentiality obligations and Commercially Sensitive Information protocols are complied with); or</li> <li>use or disclose any confidential information of the Group for any commercial purpose other than the Shareholder monitoring its interest in the Group and other customary permitted disclosures.</li> </ul> <p>The restrictions above will be subject to customary exceptions, including:</p> <ul style="list-style-type: none"> <li>hiring a person who has responded to a genuine public recruitment campaign which is not targeted at employees or medical specialists of the Group; and</li> <li>actions approved by a Special Shareholder Approval.</li> </ul> <p>Except to the extent that the express restrictive covenants apply to Shareholders and their affiliates, a Shareholder (and its affiliates) will be permitted to freely pursue business opportunities and will not be obliged to bring any such opportunity to the attention of the Company (or otherwise offer it to the Company or the Group) provided the opportunity is not learned of by a Shareholder's Board appointee(s) in his or her capacity as a Board member nor otherwise discovered or learned of as a result of information provided by the Group.</p>
28	<b>Confidentiality protocol for Competitors and Key Suppliers</b>	<p>The Shareholders Agreement will include a protocol in relation to specified Commercially Sensitive Information of the Group and the Shareholders. The purpose of that protocol will be to ensure that Commercially Sensitive Information is sufficiently quarantined from any access by, or disclosure to, Competitors and Key Suppliers (including indirectly as a result of disclosure to any Shareholder who has an Interest in a Competitor or Key Supplier, any Director appointed by such a Shareholder and any Board observer affiliated with such a Shareholder). The Commercially Sensitive Information protocol will include appropriate firewalls</p>

		<p>and other measures such as staff training.</p> <p>Any Shareholder who has an Interest in a Key Supplier, any Director appointed by such a Shareholder and any Board observer affiliated with such a Shareholder will (i) not be entitled to receive any Commercially Sensitive Information (whether in any Board materials, written resolutions or otherwise), (ii) be obliged to enter into a confidentiality deed containing specific obligations of confidentiality in relation to Commercially Sensitive Information which they become aware of (including if applicable in the course of their duties as a Director or observer), and (iii) in the case of such a Director or observer, will be required to recuse himself or herself from any part, or all, of a Board meeting at which any Commercially Sensitive Information is being discussed and will not be entitled to appoint an alternate director for that portion of the meeting (and for the purposes of the Board meeting's quorum and determining whether a resolution has been passed, it will be as if the Director was not appointed).</p> <p>As noted above, a Competing Shareholder will not be entitled to appoint a Director. In addition, a Competing Shareholder will (i) not be entitled to receive any Commercially Sensitive Information, and (ii) will be obliged to enter into a confidentiality deed containing specific obligations of confidentiality in relation to Commercially Sensitive Information which they become aware of (unless approved by an Investor Majority).</p> <p>Commercially Sensitive Information will be determined by the Board from time to time, but will include (without limitation):</p> <ul style="list-style-type: none"> <li>• details of any proposed strategic or material acquisitions by the Group;</li> <li>• details of Key Suppliers and material customers, including strategic information related to those relationships;</li> <li>• terms and conditions particular to specific customers or suppliers of the Group (including Key Suppliers) and details in relation to proposed material tenders of the Group; and</li> <li>• any confidential information in relation to any of the above, including in relation to negotiations.</li> </ul> <p>In addition to the above, the Shareholders Agreement will include a customary confidentiality provision.</p>
29	<b>Information rights</b>	All Shareholders will be entitled to receive the audited consolidated financial statements for the Group for each financial year.
30	<b>Power of attorney</b>	The Shareholders Agreement will include a customary power of attorney under which the Class A Directors can take appropriate actions to remedy a breach of the Shareholders Agreement by a Shareholder.
31	<b>Costs</b>	Each party will bear its own costs and the costs of their advisers in relation to the Transaction, except that if the Transaction completes, the Investors' advisory costs and expenses will be borne and paid for by the Company or a subsidiary of the Company.
32	<b>Amendment of Shareholders Agreement</b>	The Shareholders Agreement may only be amended with the consent of the Company, an Investor Majority and, if the amendment would adversely affects the rights of the Rollover Shareholders under the Shareholders Agreement, with the approval of Rollover Shareholders holding more than 50% (by number) of the Securities held by all Rollover Shareholders (subject to certain customary exceptions covering matters such as amendments to enable compliance with law and to correct manifest errors).
33	<b>Governing law and jurisdiction</b>	Victoria.

## Key terms of the Loan Notes and Preference Shares

### Loan Notes

- Loan Notes are unsecured, subordinated to other debt obligations of the Company and rank equally among themselves.
- On a winding-up of the Company, a Noteholder only has, in respect of each of its Loan Notes, the right to receive the redemption amount of the Loan Note.
- A Loan Note does not confer on a Noteholder any rights to vote at a general meeting.
- Loan Notes will have a face value of \$1.00 and an interest rate of 8% p.a.
- Loan Notes will have a rolling interest accrual period determined by the Issuer (**Interest Period**), with the end of an Interest Period to be determined at any time by the Issuer (Company) (**Interest Date**). Unless the Company otherwise elects, at the end of each Interest Period, any interest on the Loan Notes which is not paid in cash will accrue. On redemption of a Loan Note, the redemption amount of the Loan Note is the face value plus the aggregate amount of all accrued and unpaid interest.
- A Loan Note must be redeemed in full on the earlier of:
  - the maturity date of the Loan Note (which is 9 years after the date of issue);
  - completion of an Exit unless all Loan Notes are disposed of as part of the Exit; or
  - insolvency of the Company,

or another date approved by an “Extraordinary Resolution” (approval of Noteholders holding Loan Notes representing at least 50.1% of the total face value of all Loan Notes at the relevant time).
- Subject to the pari passu provisions in the Loan Notes Deed Poll and the Constitution, the Company may redeem some or all Loan Notes at its election.
- Loan Notes will be Equity Securities for the purposes of the Shareholders Agreement and subject to the disposal and transfer regime in the Shareholders Agreement.
- Whilst the Company is solvent, it must ensure that all payments to the Noteholders and Preference Shareholders with respect to the Loan Notes or Preference Shares are:
  - of the same nature as between principal, on the one hand, and interest/dividends on the other hand; and
  - paid pro rata to the Noteholders and Preference Shareholders based on the redemption amounts of the Loan Notes or Preference Shares (including capitalised interest and redemption premium).

If the Company makes a payment which is not in accordance with this pari passu payment obligation, it must make an adjustment payment to make sure that the payments made to the Noteholders and Preference Shareholders are in accordance with the principles above.

- If the Company becomes insolvent, then from that time the Noteholders and Preference Shareholders must ensure that all amounts received by them in respect of the Loan Notes and Preference Shares are paid pro rata to them based on the redemption amounts of the

Loan Notes or Preference Shares (including capitalised interest and redemption premium). If a Noteholder or Preference Shareholder receives a payment which is not paid pro rata the redemption amounts of the Loan Notes or Preference Shares, it must make an adjustment payment to the other Noteholders and Preference Shareholders.

- The pari passu payments provisions will be subject to exceptions for (1) approval by an Extraordinary Resolution of Noteholders and a resolution of Preference Shareholders holding Preference Shares with an aggregate redemption amount of not less than 50.1% of the aggregate redemption amount of all Preference Shares, and (2) on redemption, buy-back or other disposal of Loan Notes or Preference Shares in accordance with the Shareholders Agreement.

### Preference Shares

- Preference Shares will:
  - be redeemable;
  - not be convertible into ordinary shares; and
  - not have rights to receive notice of or attend or vote at any general meeting of the Company. Where a vote of holders of Preference Shares is required each holder of Preference Shares has 1 vote on a show of hands and 1 vote per Preference Share held on a poll.
- The Board may resolve to declare or pay a preferential dividend on the Preference Shares at the Return Rate (being 8% per annum).
- If the Board does not resolve to pay a dividend at the Return Rate on the Preference Shares, the unpaid dividend accrual amount will be recognised as a redemption premium payable on redemption of the Preference Share. On redemption of a Preference Share, the redemption amount of the Preference Share is the face value plus the redemption premium.
- The Preference Shares must be redeemed:
  - on or prior to the date that is 9 years after the issue of the Preference Share;
  - completion of an Exit unless all Preference Shares are disposed of as part of the Exit; or
  - on a winding up of the Company,

unless otherwise approved by a resolution of Preference Shareholders holding Preference Shares with an aggregate redemption amount of not less than 50.1% of the aggregate redemption amount of all Preference Shares or the Preference Shares are transferred as part of the relevant liquidity event.
- Subject to the pari passu provisions in the Loan Notes Deed Poll and the Constitution, the Company may redeem some or all Preference Shares at its election.
- Preference Shares will be Equity Securities for the purposes of the Shareholders Agreement and subject to the disposal and transfer regime in the Shareholders Agreement.
- Pari passu provisions which are substantively identical to those summarised above will be included in the Constitution.