



ASX ANNOUNCEMENT

2 May 2022

Terms of Issue of Securities

BID (Trading name for Bill Identity Limited, ASX: BID) (“**BID**” or “**the Company**”) refers to the Appendix 3G and the Appendix 3B lodged with ASX today, and encloses the Terms of Issue of the following classes of Securities:

Appendix 3G

- Class R and Class S Performance Rights; and
- Class E Restricted Security Units.

Appendix 3B

- Class X Options

Authority:

This announcement was authorised for release by the General Counsel & Company Secretary of Bill Identity Limited.

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**TERMS AND CONDITIONS OF
CLASS R PERFORMANCE RIGHTS**

The terms of the Class R Performance Rights are as follows:

Type of Plan Securities offered:	Class R Performance Rights
Offer Consideration:	Nil
Exercise Price:	Nil
Expiry Date:	31 March 2025
Vesting Conditions:	Plan securities will automatically vest upon the satisfaction of both Performance Conditions and Retention conditions outlined below.
Performance conditions:	<p>Plan Securities are subject to performance conditions with weightings determined by the board. Where performance conditions are met, the relevant weighted portion of Plan Securities will be awarded, with the balance lapsing.</p> <p>The board has the discretion to alter awarding of total plan securities under these performance conditions as they see fit prior to 1 October 2022.</p>
Retention conditions:	<p>Plan Securities awarded under performance conditions, and after any lapsing as a result of not meeting performance conditions, will vest automatically as follows:</p> <ul style="list-style-type: none"> (a) One quarter on 15 October 2022; (b) One quarter on 15 January 2023; (c) One quarter on 15 April 2023; and (d) One quarter on 15 July 2023. <p>Vesting in all cases is subject to the condition that the holder remains continuously employed with the Company up to and including the relevant date.</p>
Transfer Conditions:	Only as permitted under the rules of the Bill Identity Employee Incentive Plan as governed by its rules dated 26 March 2020
Regulatory conditions:	This Offer is made in reliance on ASIC Class Order 14/1000.
Risks:	The Company's business performance and that of its shares are subject to various risks. Some of those risks

	<p>are specific to its business activities, others could impact on the whole energy management industry or are of a more general nature. Individually or collectively, those risks may adversely affect the future operating and financial performance of the Company, its investment returns and the value of its Shares, which may rise and fall over time.</p> <p>Specific risks regarding Plan Securities (and any resulting Plan Shares) are:</p> <ul style="list-style-type: none"> • if not exercised before the Expiry Date, Plan Securities will lapse; • the Vesting Conditions may not be met, in which case the Plan Securities may not be capable of being exercised; • a personal income tax liability may arise even if performance rights holders do not choose to exercise their Plan Securities or if they cease employment with the Company; • there is no guarantee that the holders will receive dividends or a return of capital in respect of any Plan Shares awarded on the exercise of Plan Securities; and • there is no guarantee that the value of the Plan Shares will increase over time, nor that any particular value will be maintained.
Share Price:	<p>Holders can obtain the current market price of Shares at any time by searching the ASX website (www.asx.com.au) using the Company's ticker code "BID" or visiting the company's website, http://www.billidentity.com.</p>
Currency:	<p>All monetary amounts set out in these terms and conditions are in Australian dollars.</p>

**TERMS AND CONDITIONS OF
CLASS S PERFORMANCE RIGHTS**

The terms of the Class S Performance Rights are as follows:

Type of Plan Securities offered:	Class S Performance Rights
Offer Consideration:	Nil
Exercise Price:	Nil
Expiry Date:	31 March 2025
Income Tax and Employees and Employer's National Insurance:	<p>By applying for and/or accepting the Plan Securities, employees irrevocably agree to:</p> <ul style="list-style-type: none"> (a) pay to the Company or the Group Company which employee them or their former employer (as appropriate) (Employer Company) the amount of any Tax liability; or (b) enter into arrangements to the satisfaction of the Employer Company for payment of any Tax liability. (c) reimburse the Employer Company for any employer's Class 1 national insurance contributions (or any similar liability for social security contributions in any jurisdiction) (Employer's NICs) that: <ul style="list-style-type: none"> (i) the Employer Company is liable to pay as a result of any taxable event in relation to Plan Securities; and (ii) may be lawfully recovered by the Employer Company from an employee or former employee; and (d) at the request of the Company or the Employer Company, join that person in making a valid election to transfer to employees the whole or any part of the liability for Employer's NICs (or any similar liability for social security contribution in any jurisdiction) described above. <p>If employees fail to make payment to the relevant Group Company in respect of any Tax liability, employees will authorise the Company to sell a sufficient number of Plan Shares to produce a sum which (after allowance for the costs and expenses of the sale of such Shares) may discharge (and shall be applied in discharge of) the relevant employee's liability to the relevant Group Company in respect of a Tax</p>

	liability or any agreement or election pursuant to the Rule 6.4 of the Plan.
431 Election:	By applying for and/or accepting the Plan Securities, employees irrevocably agree that they will sign and deliver a 431 Election to the Company.
Vesting Conditions:	<p>Plan securities will automatically vest upon the satisfaction of both Performance Conditions and Retention conditions outlined below.</p> <p>Vesting in all cases is subject to the condition that performance rights holders (Holders) remain continuously employed with the Company up to and including the relevant date.</p>
Performance conditions:	Plan Securities are subject to performance conditions with weightings determined by the board. Where performance conditions are met, the relevant weighted portion of Plan Securities will be awarded, with the balance lapsing. The board has the discretion to alter awarding of total plan securities under these performance conditions as they see fit prior to 1 October 2022.
Retention conditions:	<p>Plan Securities awarded under performance conditions, and after any lapsing as a result of not meeting performance conditions, will vest automatically as follows:</p> <ul style="list-style-type: none"> (a) One quarter on 15 October 2022; (b) One quarter on 15 January 2023; (c) One quarter on 15 April 2023; and (d) One quarter on 15 July 2023. <p>Vesting in all cases is subject to the condition that the holder remains continuously employed with the Company up to and including the relevant date.</p>
Transfer Conditions:	Only as permitted under the Plan Rules
Clawback:	<p>If Holders (in the Board's opinion):</p> <ul style="list-style-type: none"> (a) have breached a material obligation under the Plan or any other staff equity participation arrangement; (b) become a Bad Leaver; (c) have breached any restraint of trade obligations owing by Holders to a Group Company; (d) have breached any obligation of confidence owing by Holders to a Group Company; or (e) have done any act which brings a Group Company into disrepute,

	the Board may require Holders to transfer their Plan Shares to (or as directed by) the Company, at such price which is the lower of the price paid by the relevant Holder and the then market price of the Plan Shares (or such other price agreed by relevant Holder and the Board).
Regulatory conditions:	<p>Neither this document, nor any agreement connected with it, is an approved prospectus for the purposes of section 85(1) of the FSMA and no offer of transferable securities to the public (for the purposes of section 102B of FSMA) is being made in connection with the Plan, which is exclusively available to bona fide UK employees of Bill Identity Limited and any of its subsidiaries.</p> <p>This communication falls with article 60 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 being a communication for the purposes of an employee share scheme.</p>
Risks:	<p>The Company's business performance and that of its shares are subject to various risks. Some of those risks are specific to its business activities, others could impact on the whole energy management industry or are of a more general nature. Individually or collectively, those risks may adversely affect the future operating and financial performance of the Company, its investment returns and the value of its Shares, which may rise and fall over time.</p> <p>Specific risks regarding Performance Rights(and any resulting Plan Shares) are:</p> <ul style="list-style-type: none"> • the Vesting Conditions may not be met, in which case the Plan Securities may not be capable of being exercised; • there is no guarantee that Holders will receive dividends or a return of capital in respect of any Plan Shares awarded on the exercise of their Plan Securities; and • there is no guarantee that the value of the Plan Shares will increase over time, nor that any particular value will be maintained.
Share Price:	Holders can obtain the current market price of Shares at any time by searching the ASX website (www.asx.com.au) using the Company's ticker code "BID" or visiting the company's website, http://www.billidentity.com .
Currency:	All monetary amounts set out in this terms and conditions of Class S Performance Rights are in Australian dollars.
Tax treatment:	Set out below is a summary of the expected tax treatment of Class S Performance Right. This summary assumes Holders are and will continue to be resident in the UK for tax purposes.

	<p>It is based on current tax law but this could change at any time. This is a summary only which should not be relied on by Holders. Individual tax advice should be sought by holders particular to their own individual circumstances.</p> <p>On grant – there is no tax payable on the grant of Performance Right.</p> <p>On exercise – on the exercise of a Performance Right in the UK, Holders will be liable to income tax, collected via PAYE, on any gain (being the market value of the option shares on the date of exercise less any exercise price and any price paid for the issue of the options). There may be other deductible amounts; most notably if Holders agree to bear the Employers' NICs.</p> <p>On sale of Performance Right shares - on a subsequent sale of the Performance Right shares, Holders may be liable to capital gains tax on any increase in value, subject to the annual exemption amount (currently £12,000) and any other reliefs.</p>
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**TERMS AND CONDITIONS OF
CLASS E RESTRICTED STOCK UNITS**

The terms of the Class E Restricted Stock Units are as follows:

Type of Plan Securities offered:	Class E Restricted Stock Units
Offer Consideration:	Nil
Exercise Price:	N/A
Expiry Date:	31 March 2025
Vesting Conditions:	<p>Plan securities will automatically vest upon the satisfaction of both Performance Conditions and Retention conditions outlined below.</p> <p>Vesting in all cases is subject to the condition that the holder remains continuously employed with the Company up to and including the relevant date.</p> <p>The Shares will be issued to the Class E Restricted Stock Unit holders (Holders) in settlement of Restricted Stock Units that vest on or within 30 days after the vesting date noted under "Retention conditions" below.</p>
Performance Conditions:	<p>Plan Securities are subject to performance conditions with weightings determined by the board. Where performance conditions are met, the relevant weighted portion of Plan Securities will be awarded, with the balance lapsing.</p> <p>The board has the discretion to alter awarding of total plan securities under these performance conditions as they see fit prior to 1 October 2022.</p>
Retention conditions:	<p>Plan Securities awarded under performance conditions, and after any lapsing as a result of not meeting performance conditions, will vest automatically as follows:</p> <ul style="list-style-type: none"> (a) One quarter on 15 October 2022; (b) One quarter on 15 January 2023; (c) One quarter on 15 April 2023; and (d) One quarter on 15 July 2023. <p>Vesting in all cases is subject to the condition that the holder remains continuously employed with the Company up to and including the relevant date.</p>

Transfer Conditions:	Restricted Stock Units are not transferable.
Regulatory conditions:	Offers of Class E Restricted Stock Units are being made in reliance on Rule 701 of the US Securities Act of 1953.
Risks:	<p>The Company's business performance and that of its shares are subject to various risks. Some of those risks are specific to its business activities, others could impact on the whole energy management industry or are of a more general nature. Individually or collectively, those risks may adversely affect the future operating and financial performance of the Company, its investment returns and the value of its Shares, which may rise and fall over time.</p> <p>Specific risks regarding Plan Securities (and any resulting Plan Shares) are:</p> <ul style="list-style-type: none"> • the vesting conditions may not be met, in which case the Plan Securities that are unvested will be forfeited upon termination of the relevant Holder's service; • there is no guarantee that Holders will receive dividends or a return of capital in respect of any Plan Shares awarded on the settlement of their Plan Securities; and • there is no guarantee that the value of the Plan Shares will increase over time, nor that any particular value will be maintained.
Share Price:	<p> Holders can obtain the current market price of Shares at any time by searching the ASX website (www.asx.com.au) using the Company's ticker code "BID" or visiting the company's website, http://www.billidentity.com. </p>
Loan:	N/A
Currency:	All monetary amounts set out in this Offer are in Australian dollars.

TERMS AND CONDITIONS OF CLASS X OPTIONS

1. ENTITLEMENT

- 1.1 Each Option entitles the holder (**Holder**) to subscribe for one fully paid ordinary share (**Share**) in Bill Identity Limited (**Company**) upon exercise.
- 1.2 The Holder may be a director or employee of the Company or his or her nominee.

2. EXERCISE PRICE AND EXPIRY DATE

- 2.1 Each Option shall have an exercise price of \$0.20 (**Exercise Price**).
- 2.2 Each Option shall expire on 25 April 2026 (**Expiry Date**), subject to clause 3 and 4 below.

3. VESTING CONDITIONS

- 3.1 Subject to the Holder remaining employed by the Bill Identity Limited Group on the date of vesting, the Options granted to the Holder shall vest and become exercisable, as follows:
 - 50% on 25 April 2023;
 - 25% on 25 October 2023; and
 - 25% on 25 April 2024.
- 3.2 Should the Holder cease to be an employee of the Company, any unvested Options will immediately lapse on cessation of the holder's employment (in the absence of the Company agreeing otherwise).

4. EXERCISE PERIOD

Each Option is exercisable at any time on and from the satisfaction of the vesting conditions set out in clause 3 above until the Expiry Date (**Exercise Period**).

5. NOTICE OF EXERCISE

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

6. LAPSING

- 6.1 If the Board, in its sole discretion, determines that the Performance Conditions set out at clause 3.2 have not been satisfied, the relevant portion of Options will automatically lapse in accordance with the formulas set out in clause 3.2.
- 6.2 If the holder is no longer engaged by the Company as a director, employee or consultant for whatever reason:
 - 6.2.1 any unvested Options held by that holder will automatically lapse upon cessation of employment or engagement by the Company; and

6.2.2 any vested Options held by that holder will remain on issue until the Expiry Date or unless exercised by the holder in accordance with clause 5.

7. CASHLESS EXERCISE

7.1 On exercise of the Options, the Board may determine, in its sole discretion, to permit the Holder to exercise the Options by way of Cashless Exercise.

7.2 If the Options are exercised by Cashless Exercise, on exercise of the Options:

7.2.1 the Holder will not be required to pay the Exercise Price for the Options in cleared funds; and

7.2.2 the Company will only issue or transfer that number of Shares to the Holder that have a value equal to the then total market value of the Shares that would have been issued or transferred to the Holder if the Options had been exercised other than by way of Cashless Exercise, less the total amount of the Exercise Price that would otherwise have been payable on exercise of the Options (with the number of Shares rounded down).

8. SHARES ISSUED ON EXERCISE

Shares issued on exercise of the Options rank equally with the then Shares of the Company.

9. QUOTATION OF SHARES ON EXERCISE

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.

10. TIMING OF ISSUE OF SHARES AND QUOTATION OF SHARES ON EXERCISE

Within 10 Business Days after the later of the following:

10.1.1 receipt of a notice of exercise given in accordance with these terms and conditions and payment of the exercise price for each Option being exercised by the Company if the Company is not in possession of excluded information (as defined in section 708A(7) of the Corporations Act); and

10.1.2 the date the Company ceases to be in possession of excluded information in respect to the Company (if any) following the receipt of the notice of exercise and payment of the exercise price for each Option being exercised by the Company,

the Company will:

10.1.2.1 allot and issue the Shares pursuant to the exercise of the Options;

10.1.2.2 give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or lodge a prospectus with ASIC that qualifies the Shares for resale under section 708A(11) of the Corporations Act; and

10.1.2.3 if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

11. PARTICIPATION IN NEW ISSUES

- 11.1 There are no participation rights or entitlements inherent in the Options and Holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
- 11.2 However, the Company will use reasonable endeavours to ensure that for the purposes of determining entitlements to any such issue, the record date will be at least ten business days after the issue is announced. This will give the Holder the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

12. ADJUSTMENT FOR BONUS ISSUES OF SHARES

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

13. ADJUSTMENT FOR RIGHTS ISSUE

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

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

O = the old Exercise Price of the Option.

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

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

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

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

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

14. ADJUSTMENTS FOR REORGANISATION

If there is any reconstruction of the issued share capital of the Company, the rights of the Holder may be varied to comply the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.

15. CHANGE OF CONTROL

The Options automatically vest and may be exercised by the Holder at any time after the Board notifies the Holder that a Change in Control Event is to occur, but prior to the Change of Control Event occurring (or such other period advised by the Board to the Holder).

16. QUOTATION OF OPTIONS

No application for quotation of the Options will be made by the Company.

17. OPTIONS TRANSFERABLE

Subject to compliance with the Corporations Act, the Options are only transferrable with the Company's written approval.

18. LODGEMENT INSTRUCTIONS

Cheques shall be in Australian currency made payable to the Company and crossed 'Not Negotiable'. The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's Registry.

DEFINITIONS:

In these terms and conditions:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Board means the board of Directors.

Business Day means the day on which banks are open for general business in Melbourne, Victoria, excluding Saturdays and Sundays.

Cashless Exercise means the Holder exercising Options without making any cash payment.

Change in Control Event means:

- (a) a change in Control (as defined in the Corporations Act) of the Company;
- (b) where members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate (other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming effective, result in any person (either alone or together with its associates) owning 50% or more of the Shares of the Company;
- (c) where a Takeover Bid is made to acquire 50% or more of the Shares (or such lesser number of Shares that when combined with the Shares that the bidder (together with its associates) already owns will amount to 50% or more of the Shares of the Company) and the Takeover Bid becomes unconditional and the bidder (together with its associates) has a relevant interest in 50% or more of the Shares of the Company;
- (d) where a person (either alone or together with its associates) becomes the legal or the beneficial owner of, or acquires a relevant interest in, 50% or more of the Shares of the Company;
- (e) where a person (either alone or together with its associates) becomes entitled to acquire or acquires an equitable interest in 50% or more of the Shares of the Company; or
- (f) a resolution is passed for the voluntary winding-up of the Company.

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

Listing Rules means the listing rules of ASX.

Option means an option which entitles the holder to subscribe for a Share.

Related Party has the same meaning as in the Listing Rules.

Shareholder means a shareholder of the Company.

Takeover Bid has the meaning given to that term in section 9 of the Corporations Act.