

## ASX Announcement



**1 AUGUST 2016**

### **INTECQ LIMITED AND TABCORP HOLDINGS LIMITED ENTER INTO SCHEME IMPLEMENTATION AGREEMENT FOR 100% OF INTECQ LIMITED TO BE ACQUIRED**

Intecq Limited (ASX code: ITQ) (“**Intecq**”) today announces that it has entered into a Scheme Implementation Agreement (“**SIA**”) with Tabcorp Holdings Ltd (ASX code: TAH) (“**Tabcorp**”) under which it is proposed that Tabcorp will acquire 100 per cent of Intecq’s issued capital<sup>1</sup> by way of a Scheme of Arrangement (“**Scheme**”).

The total cash consideration of A\$7.15 per share values Intecq’s fully diluted equity at approximately A\$128 million and represents a:

- 31% premium to the ASX closing share price of \$5.44 on 29 July 2016 (being the last trading day prior to this announcement);
- 31% premium to the \$5.47 one month volume weighted average ASX share price of Intecq shares up to and including 29 July 2016; and
- 32% premium to the \$5.40 three month volume weighted average ASX share price of Intecq shares up to and including 29 July 2016.

Subject to an independent expert determining that the Scheme is in the best interests of Intecq shareholders, the directors of Intecq (who, collectively represent approximately 7.6% of fully-diluted shares outstanding) unanimously recommend and intend to vote shares in their control in favour of the proposed Scheme, in the absence of a superior proposal.

Chairman of Intecq, Mr Paul Oneile said “Our board of directors has undertaken lengthy negotiations with Tabcorp to secure an offer which we consider delivers excellent value for our shareholders. Tabcorp is Australia’s leading diversified entertainment group and a leader in the Australian wagering, racing media, gaming services and Keno markets, and Intecq delivers technology solutions to the gaming industry, providing a strong complementary fit.

“Our two business divisions, eBET and Odyssey Gaming, continue to grow and perform strongly and present a compelling growth proposition for Tabcorp”, he added.

The offer will be made pursuant to a Scheme with further details to be included in the notice of meeting that will be sent to shareholders to convene a meeting at which shareholders will be asked to consider the proposal. The Scheme is subject to certain

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<sup>1</sup> Fully diluted share count basis, which is expected to be approximately 17.9 million upon implementation of the Scheme.

customary conditions precedent including Intecq shareholder approval, court approval and other regulatory approvals.

The directors of Intecq have agreed under the SIA that no final dividend will be declared for the 2016 financial year, and this has been reflected in the determination of the offer consideration. In the event that the Scheme does not proceed the directors will consider the payment of a dividend in accordance with Intecq's current dividend policy.

### **Indicative timetable and next steps**

<b>Event</b>	<b>Indicative Timing</b>
Lodge Scheme Booklet and Independent Expert's Reports with ASIC for Review	Mid/late- August 2016
First Court Hearing Date	Early/mid- September 2016
Dispatch of Scheme Booklet	Mid/late September 2016
Scheme Meeting	Mid/late October 2016
Second Court Hearing Date	Mid/late October 2016
Implementation Date	Late October 2016

Credit Suisse is acting as financial adviser to Intecq and Macpherson Kelley is acting as legal adviser.

### **For Further Information Call:**

**Tim Allerton**  
**City PR**  
**(02) 9267 4511 or (0412) 715 707**

## About INTECQ

INTECQ Limited is a technology company, listed on the Australian Securities Exchange (ASX: ITQ) with headquarters in Sydney, Australia. Its scale and diversity, commitment to excellence, innovative technologies and superior customer service underpins the company's growth and expansion across jurisdictions, markets and sectors.

The company operates two business divisions, eBET and Odyssey Gaming, which provide technology solutions to gaming venues. They provide integrated gaming technology solutions, including gaming management systems, Licensed Monitoring Operator (LMO) services and business intelligence tools and expertise.

The company operates across Australia and the Asia-Pacific region and has commercial agreements with over 1,200 customers, operating over 73,000 electronic gaming machines.

For more information on the INTECQ, please visit [www.intecq.com](http://www.intecq.com)

*This announcement contains or may contain forward-looking statements that are based on the Board's beliefs, assumptions and expectations derived from information presently available to management. All statements that address operating performance, events or development that the Company expects or anticipates will occur in the future are forward-looking statements, including without limitation the Company's expectations with respect to potential revenues, costs, profitability and financial performance. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. The Board believes that forward-looking statements are reasonable as and when made.*

# SCHEME IMPLEMENTATION AGREEMENT



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## SCHEME IMPLEMENTATION AGREEMENT

AGREEMENT dated

### PARTIES

1. **INTECQ LIMITED ABN 59 056 210 774** of Unit 13, 112-118 Talavera Road, North Ryde NSW 2113 (**Intecq**); and
2. **TABCORP HOLDINGS LIMITED ABN 66 063 780 709** of 5 Bowen Crescent, Melbourne Victoria 3004 (**Tabcorp**).

### RECITALS

- A. Tabcorp, through Bidco, proposes to acquire all of the issued capital of Intecq by means of the Scheme pursuant to Part 5.1 of the Corporations Act.
- B. The Intecq Board has determined to support and implement the Transaction and to recommend that Intecq Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal and subject to Intecq receiving an opinion from the Independent Expert concluding that the Scheme is in the best interests of Intecq Shareholders.
- C. The parties have agreed to implement the Scheme, upon and subject to the terms and conditions of this Agreement.

THE PARTIES AGREE as follows:

### 1. INTERPRETATION

#### 1.1 Definitions

Meanings shall apply to capitalised terms used in this Agreement as specified in this provision, unless the context otherwise requires:

**ACCC** means the Australian Competition and Consumer Commission.

**Agency** means any Australian or foreign court, tribunal, federal, state, provincial or local government or governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, agency or authority or any elected or appointed public official and includes any minister, ASIC, the ACCC, the ATO, ASX and any regulatory organisation established under statute.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited ABN 98 008 624 691 or, as the context requires, the financial market operated by it.

**ATO** means the Australian Taxation Office.

**Bidco** means a wholly owned Related Body Corporate of Tabcorp nominated by Tabcorp for the purpose of acquiring the Scheme Shares.

**Break Fee** means the break fee payable by Intecq or Tabcorp in accordance with clauses 9.2 and 9.3 respectively.

**Business Day** has the meaning given to that expression in the Listing Rules.

**Competing Proposal** means any expression of interest, proposal or offer with respect to any transaction (whether by purchase, merger, amalgamation, arrangement, business combination, liquidation, dissolution, recapitalisation, takeover bid or otherwise) that would, if entered into or implemented substantially in accordance with its terms:

- (a) result in any person (whether alone or with others) other than Tabcorp (or any Related Body Corporate of Tabcorp) acquiring:
  - (i) all or a substantial part of the assets of Intecq or any of its Related Bodies Corporate;
  - (ii) a Relevant Interest in 20% or more of the Intecq Shares or the shares of any Related Body Corporate of Intecq; or
  - (iii) Control of Intecq; or
- (b) would require Intecq to abandon or otherwise fail to proceed with the Scheme, by whatever means.

**Conditions Precedent** means the conditions precedent set out in clause 4.1.

**Confidentiality Agreement** means the confidentiality agreement dated 1 July 2016 between Intecq and Tabcorp.

**Control** has the meaning given to that term in section 50AA of the Corporations Act.

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

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

**Court** means the Supreme Court of New South Wales or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Intecq and Tabcorp.

**Data Room** means the electronic facility established by or on behalf of Intecq for the purpose of providing Tabcorp with certain information and materials relating to, among other things, Intecq and members of the Intecq Group.

**Data Room Materials** means the written information relating to the Intecq Group made available to Tabcorp via the Data Room prior to the date of this Agreement, the index of which has been initialled by, or on behalf of, the parties for identification.

**Deed Poll** means a deed poll to be executed by Tabcorp and Bidco in favour of the Scheme Shareholders substantially in the form of Schedule 7 (or in such other form as Tabcorp and Intecq may agree in writing).

**Disclosure Letter** means the letter so entitled provided by Intecq to Tabcorp on or before the date of this Agreement and countersigned by Tabcorp prior to the entry into this Agreement.

**Disclosure Materials** means:

- (a) the Data Room Materials; and
- (b) the Disclosure Letter.

**EBITDA** means earnings from ordinary continuing activities of the Intecq Group before interest, tax, depreciation and amortisation calculated in accordance with accounting policies and practices applied by Intecq as at the date of this Agreement.

**Effective** means, 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) of the Corporations Act in relation to the Scheme.

**Effective Date** means the date on which the Scheme becomes Effective.

**Effective Time** means the time on the Effective Date that the Scheme becomes effective in accordance with the Final Order and the Corporations Act.

**Employee** means, with respect to the Intecq Group, a director, officer or employee of an Intecq Group Member.

**Employment Agreement** means, with respect to a person, a contract, offer, letter or agreement of the person with or addressed to any individual who is rendering or has rendered services thereto as an Employee pursuant to which the person has any actual or contingent liability or obligation to provide compensation or benefits or severance or termination payments in respect of past, present or future services.

**Exclusivity Period** means the period commencing on the date of this Agreement and ending on the earlier of:

- (a) the termination of this Agreement in accordance with its terms;
- (b) the Implementation Date; and
- (c) the Sunset Date.

**Final Order** means the final order of the Court approving the Scheme in accordance with section 411(4)(b) and (if applicable) section 411(6) of the Corporations Act, as such order may be amended by the Court at any time before the Effective Time, or if appealed, unless that appeal is withdrawn or denied, as affirmed or as amended on appeal.

**First Court Date** means the first day of the hearing of an application made to the Court by Intecq for orders pursuant to section 411(1) of the Corporations Act, convening the Scheme Meeting or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

**GAAP** means Australian generally accepted accounting principles.

**Idol Shares** means 39,117 Intecq Shares to be issued to the sellers (as defined in the Idol SPA) pursuant to the Idol SPA.

**Idol SPA** means the Share Sale Agreement dated 21 March 2014 between iNOV8 Mobile Pty Limited (ACN 051 065 117), Intecq and the sellers named therein in respect of Industry Data Online Pty Ltd (ACN 098 768 202).

**Implementation Date** means the fifth Business Day after the Record Date or such other date agreed to in writing by Intecq and Tabcorp.

**Independent Expert** means an independent expert appointed by Intecq.

**Independent Expert's Report** means the report from the Independent Expert for inclusion in the Intecq Scheme Document, including any update to such a report or any supplementary or replacement report, stating an opinion regarding whether or not the Scheme is in the best interests of Intecq Shareholders, and setting out its reasons for such opinion.

**Insolvency Event** means, in relation to an entity:

- (a) a liquidator, provisional liquidator, administrator, receiver, receiver and manager, trustee or similar official being appointed to the entity or in relation to the whole, or a substantial part, of the entity's assets;
- (b) the entity suspending payments of its debts generally;
- (c) the entity being or becoming unable to pay its debts when they fall due or being unable to pay its debts within the meaning of the Corporations Act;
- (d) the entity entering into or resolving to enter into any arrangement, composition or compromise with, or assignment for the benefit of, its creditors or any class of them;
- (e) the entity ceases, or threatens to cease to, carry on substantially all the business conducted by it as at the date of this Agreement;
- (f) the entity executing a deed of company arrangement;
- (g) an order being made for the winding up or dissolution of the entity;
- (h) the entity being deregistered as a company or otherwise dissolved;
- (i) a resolution being passed or steps taken to pass a resolution for the winding up or dissolution of the entity; or

- (j) anything analogous to the matters set out in any of paragraphs (a) to (i) inclusive occurs in relation to the entity under the laws of a foreign jurisdiction.

**Intecq Board** means the board of directors of Intecq (as constituted from time to time).

**Intecq Break Fee** means \$1.28 million (exclusive of GST).

**Intecq Group** means Intecq and its Subsidiaries and also includes Gaming Solutions Pty Limited (and a reference to the "Intecq Group" is a reference to each entity within the Intecq Group as well as a reference to all such entities), and each of Intecq and its Subsidiaries and Gaming Solutions Pty Limited is an "**Intecq Group Member**" and a "**member of the Intecq Group**".

**Intecq Provided Information** means all information included in the Intecq Scheme Document, and any updates to that information prepared by or on behalf of Intecq in accordance with clause 3.2(i), other than:

- (a) the Tabcorp Provided Information and any information solely derived from, or prepared solely in reliance on, the Tabcorp Provided Information; and
- (b) the Independent Expert's Report.

**Intecq Scheme Document** means the document to be sent to Intecq Shareholders in connection with the Scheme Meeting including a notice convening the Scheme Meeting, the explanatory statement, a copy of the Scheme, the Deed Poll and a copy or summary of this Agreement.

**Intecq Shareholder** means a person who is registered in the Register as a holder of Intecq Shares from time to time.

**Intecq Share** means a fully paid ordinary share in the capital of Intecq.

**Interim Order** means an order of the Court, as may be amended, providing for, among other things, the calling and holding of the Scheme Meeting pursuant to section 411(1) of the Corporations Act.

**Key Contracts Protocol** means the document so entitled and signed by Intecq and Tabcorp on or before the date of this Agreement.

**Laws** means all laws, statutes, by-laws, rules, regulations, orders, decrees, ordinances, protocols, codes, guidelines, policies, notices, directions and judgments or other requirements of any Agency, and includes the Listing Rules.

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

**Loss** includes any loss, damage, claim, action, demand or proceeding (whether based in contract, tort or statute), liability, cost, charge, expense or other expenditure.

**Material Adverse Change** means:

- (a) an event, occurrence or matter, other than:
  - (i) an event, occurrence or matter required to be undertaken or procured by the Intecq Group pursuant to the Transaction Documents;
  - (ii) to the extent that event, occurrence or matter is fairly disclosed in the Disclosure Letter;
  - (iii) to the extent that event, occurrence or matter was known to Tabcorp prior to the date of this Agreement (which does not include knowledge of the risk of an event, occurrence or matter happening);
  - (iv) an event, occurrence or matter agreed in writing between Intecq and Tabcorp;
  - (v) an event, occurrence or matter arising as a result of any generally applicable change in accounting standards, law or governmental policy in Australia after the date of this Agreement; or
  - (vi) an event, occurrence or matter arising from changes in exchange rates, or interest rates, general economic, political or business conditions including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets, and acts of terrorism, war (whether or not declared) natural disaster or the like, that affect Australia and that impact on Intecq and its competitors in a similar manner,

that, individually or when aggregated with all such events, occurrences or matters:

- (vii) diminishes, or is reasonably likely to diminish, (whether now or in the future) the consolidated net assets of the Intecq Group by at least \$9.0 million; or
  - (viii) diminishes, or is reasonably likely to diminish, (whether now or in the future) the EBITDA in three (3) recurring financial years by at least \$2.6 million (which amount will be calculated after taking into account any event, occurrence or matter not disclosed prior to the date of this Agreement that has or could reasonably be expected to have a positive effect on the EBITDA of the Intecq Group not including Gaming Solutions Pty Ltd in the relevant financial year); or
- (b) the occurrence of one or more of the following:
    - (i) Intecq has not, by the date which is 10 Business Days prior to the Second Court Date, obtained in writing and provided

to Tabcorp (in a form acceptable to Tabcorp, acting reasonably and, where given conditionally, subject to conditions that are acceptable to Tabcorp, acting reasonably), each consent of a third party, or waiver or release by a third party, which is required to be obtained in accordance with the Key Contracts Protocol so as to ensure that there is no right of termination or other material right in favour of a third party (other than a member of the Intecq Group wholly-owned (directly or indirectly) by Intecq) as a result of the implementation of the Scheme or any act, matter or transaction to be undertaken or procured pursuant to any Transaction Document; or

- (ii) Intecq has not, by the date which is 10 Business Days prior to the Second Court Date, provided to Tabcorp the original (or if permitted in accordance with the Key Contracts Protocol, a copy) of each of the agreements, deeds or other documents referred to in the Key Contracts Protocol duly executed by each of the parties to those agreements, deeds or other documents.

**Materially Adverse** means, with respect to an entity, any fact, circumstance, change, effect, occurrence, event or term that is or could reasonably be expected to materially and adversely affect the financial condition, operations, results of operations, business, assets, capital or prospects of the entity, other than any fact, circumstance, change, effect, occurrence, event or term:

- (a) required or permitted by this Agreement, the Scheme or the transactions contemplated by either;
- (b) that have been fairly disclosed by Intecq to Tabcorp in the Disclosure Letter;
- (c) agreed in writing between Intecq and Tabcorp;
- (d) arising as a result of any generally applicable change in accounting standards, law or governmental policy in Australia; or
- (e) arising from changes in exchange rates, or interest rates, general economic, political or business conditions including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets, and acts of terrorism, war (whether or not declared) natural disaster or the like, that affect Australia and that impact on Intecq and its competitors in a similar manner.

**Material Contract** means any agreement, arrangement or understanding (or any series of related agreements, arrangements or understandings) involving:

- (a) annual revenue of \$1 million or more; or
- (b) expenditure of an Intecq Group Member (either alone or together with any other Intecq Group Member) of \$750,000 or more, over the period of the agreement, arrangement or understanding.

**Operating Budget** means the annual budget for the year ended 30 June 2017 prepared by Intecq, signed by two directors of Intecq and provided to Tabcorp on or prior to the date of this Agreement, setting out the amounts that Intecq's directors and management reasonably consider are required for Intecq to continue its operations during the period of such budget.

**Options** means, with respect to an entity, all options, warrants, puts, calls, rights, commitments, agreements, arrangements or undertakings of any kind to which the entity is a party or by which the entity is bound relating to the issued or unissued capital stock of the entity, or obligating the entity to issue, transfer, grant, sell or pay for or repurchase any shares of capital stock or other equity interests in, or securities convertible or exchangeable for any capital stock or other equity interests in, the entity or obligating the entity to issue, grant, extend or enter into any such options, warrants, puts, calls, rights, commitments, agreements, arrangements or undertakings.

**Permit** means, in relation to any person, all certificates, licences, permits, grants, easements, covenants, certificates, orders, authorisations and approvals issued or granted by Agencies or third parties to the person necessary for such person to own and to conduct its business as such business is conducted as at the date of this Agreement or is expected to be conducted following the completion of the Transaction.

**person** means and includes any individual, sole proprietorship, partnership, joint venture, unincorporated association, unincorporated syndicate, unincorporated organisation, trust, body corporate, a trustee, executor, administrator or other legal representative.

**Prescribed Event** means, other than:

- (a) with the prior written consent of Tabcorp;
- (b) as otherwise expressly contemplated or permitted by this Agreement or the Scheme; or
- (c) as fairly disclosed in the Disclosure Letter,

the occurrence of any of the following events:

- (d) Intecq or any other member of the Intecq Group converting all or any of its shares into a larger or smaller number of shares;
- (e) Intecq or any other member of the Intecq Group resolving to reduce its share capital in any way;
- (f) Intecq or any other member of the Intecq Group:
  - (i) entering into a buy-back agreement; or
  - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;

- (g) Intecq or any other member of the Intecq Group issuing shares or other securities, including convertible notes or any other securities or instruments convertible into shares or any other securities, or granting a performance right or an option over or to subscribe for its shares or securities, or agreeing to make such an issue or grant such a right or option, other than:
  - (i) to a directly or indirectly wholly-owned Subsidiary of Intecq;
  - (ii) the issue, prior to the Second Court Date, of up to 239,195 Intecq Shares pursuant to the employee incentive arrangements referred to in Part 2(a) of Schedule 3; or
  - (iii) the issue of the Idol Shares prior to the Second Court Date;
- (h) Intecq or any other member of the Intecq Group declaring, determining, paying or distributing any dividend, bonus or other share of its profits or assets, other than to a directly or indirectly wholly-owned Subsidiary of Intecq;
- (i) Intecq making, or proposing to make, any change to its constitution;
- (j) Intecq or any other member of the Intecq Group disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;
- (k) Intecq or any other member of the Intecq Group:
  - (i) acquiring or disposing of;
  - (ii) agreeing to acquire or dispose of; or
  - (iii) offering, proposing or announcing a bid for, any business, assets, entity or undertaking, the value of which exceeds \$750,000 individually or \$1.5 million in aggregate;
- (l) any member of the Intecq Group incurs, agrees to incur or enters into a commitment or a series of commitments involving expenditure by the Intecq Group, whether in one transaction or a number of such transactions, where the amounts or value involved in such transaction, transactions, commitment or series of commitments exceeds \$1.5 million in aggregate;
- (m) any member of the Intecq Group terminating, varying or amending in a material manner any Material Contract;
- (n) an Insolvency Event occurring in relation to any member of the Intecq Group;
- (o) any member of the Intecq Group entering into, or resolving to enter into, a transaction with any related party of Intecq (other than a related party that is Intecq or a directly or indirectly wholly owned

Subsidiary of Intecq), as defined in section 228 of the Corporations Act;

- (p) any member of the Intecq Group incurs any financial indebtedness or issues any debt securities other than in the ordinary course of business or pursuant to advances under its credit facilities in existence as at the date of this Agreement where the funds drawn pursuant to those advances are used in the ordinary course of business or in connection with a purpose that is contemplated and permitted in paragraph (k) of this definition;
- (q) any member of the Intecq Group granting, or agreeing to grant, a security interest over the whole, or a substantial part, of its business or property; or
- (r) Intecq or any other member of the Intecq Group directly or indirectly authorising, committing or agreeing to take or announcing any of the actions referred to in paragraphs (d) to (q) above insofar as it applies to the member of the Intecq Group the subject of such direct or indirect authorisation, commitment, agreement or announcement.

**Properties** means, with respect to a person, all real property owned, leased, controlled or used by the person or in which the person has a right or interest.

**Record Date** means 7.00pm Sydney time on the fifth Business Day after the Effective Date or such other time and date agreed in writing by Intecq and Tabcorp.

**Register** means the register of members of Intecq maintained by Computershare Investor Services Pty Ltd. of Level 3, 60 Carrington Street, Sydney NSW 2000, or by any replacement share registry services provider to Intecq, in accordance with section 168(1) of the Corporations Act.

**Regulatory Approvals** means:

- (a) any approval, consent, authorisation, registration, filing, lodgment, permit, franchise, agreement, notarisation, certificate, permission, licence, direction, declaration, authority, waiver, modification or exemption from, by or with an Agency; or
- (b) in relation to anything that would be fully or partly prohibited or restricted by law if an Agency intervened or acted in any way within a specified period after lodgment, filing, registration or notification, the expiry of that period without intervention or action,

and includes the approvals set out in Schedule 1.

**Related Body Corporate** has the meaning given in the Corporations Act.

**Relevant Interest** has the meaning given to that term by section 9 of the Corporations Act.

**Representative** means, in relation to an entity:

- (a) a Related Body Corporate of the entity; and
- (b) a director, officer, employee, professional adviser (including financial adviser, legal adviser or accountant), agent or other authorised representative of the entity or its Related Bodies Corporate.

**Scheme** means a scheme of arrangement pursuant to Part 5.1 of the Corporations Act to be made between Intecq and the Scheme Shareholders in respect of the Scheme Shares, the form of which is set out in Schedule 6 or in such other form as Intecq and Tabcorp may agree in writing, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved in writing by Intecq and Tabcorp.

**Scheme Consideration** has the meaning given in clause 5.1(a).

**Scheme Counsel** means senior counsel engaged by Intecq to advise in relation to, and appear before the Court in connection with, the Scheme.

**Scheme Meeting** means the meeting of Intecq Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act to consider and vote on the Scheme, including any adjournment or postponement of that meeting.

**Scheme Shareholder** means each person who is registered on the Register as a holder of Scheme Shares as at the Record Date.

**Scheme Shares** means the Intecq Shares on issue as at the Record Date, other than those registered in the name of Tabcorp or a Related Body Corporate of Tabcorp.

**Second Court Date** means the first day on which the Court hears the application for an order under section 411(4)(b) of the Corporations Act approving the Scheme or, if the hearing of such application is adjourned or subject to appeal for any reason, the first day on which the adjourned application or appeal is heard.

**Subsidiary** has the meaning given to that term in the Corporations Act.

**Sunset Date** means 31 December 2016, or such later date as may be agreed in writing by Intecq and Tabcorp.

**Superior Proposal** means a bona fide Competing Proposal received by Intecq that the Intecq Board, acting in good faith and after having obtained written advice from Intecq's external legal and financial advisers, determines:

- (a) is capable of being valued and completed, taking into account all aspects of the Competing Proposal (including its conditions) and the

person making it (including such person's identity, reputation and financial standing); and

- (b) would, if completed substantially in accordance with its terms, be more favourable to Intecq Shareholders than the Transaction (if that were completed substantially in accordance with its terms), taking into account all the terms and conditions of the Competing Proposal.

**Tabcorp Break Fee** means \$1.28 million (exclusive of GST).

**Tabcorp Group** means Tabcorp and its Subsidiaries (and a reference to the "Tabcorp Group" is a reference to each entity within the Tabcorp Group as well as a reference to all such entities) and each of Tabcorp and its Subsidiaries is a "**Tabcorp Group Member**" and a "**member of the Tabcorp Group**".

**Tabcorp Provided Information** means all information regarding Tabcorp, Bidco and the Tabcorp Group that is provided by or on behalf of Tabcorp to Intecq or any of its Representatives to enable the Intecq Scheme Document to be prepared and completed in accordance with clause 3.4 (and that is specifically identified as such by Tabcorp or its Representatives).

**Takeovers Panel** means the Takeovers Panel constituted under the *Australian Securities and Investments Commission Act 2001* (Cth).

**Taxes** means, with respect to a person, all income taxes (including any tax on or based upon net income, gross income, income as specially defined, earnings profits or selected items of income, earnings or profits) and all capital taxes, gross receipts taxes, environmental taxes, sales taxes, use taxes, ad valorem taxes, value added taxes, transfer taxes, franchise taxes, license taxes, withholding taxes or other withholding obligations, payroll taxes, employment taxes, pension plan premiums, excise, severance, social security premiums, workers' compensation premiums, unemployment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, property taxes, windfall profits taxes, alternative or add on minimum taxes, goods and services tax, customs duties or other taxes of any kind whatsoever, together with any interest and any penalties or additional amounts imposed by any taxing authority (domestic or foreign) on such person or for which such person is responsible, and any interest, penalties, additional taxes, additions to tax or other amounts imposed with respect to the foregoing.

**Timetable** means the indicative timetable in relation to the Scheme set out in Schedule 2, or such other indicative timetable as Intecq and Tabcorp may agree in writing or as may be required by ASX.

**Transaction** means the transaction under which Intecq becomes a wholly-owned Subsidiary of Tabcorp pursuant to the terms of this Agreement and the Scheme.

**Transaction Documents** means:

- (a) this Agreement;
- (b) the Scheme; and
- (c) the Deed Poll.

**Withheld Tax Amounts** means any such amount of Taxes which the ATO requires any member of the Tabcorp Group, by written notice(s) pursuant to section 255 of the *Income Tax Assessment Act 1936* (Cth) which is or are received by any member of the Tabcorp Group before 9.00am on the Business Day before the Implementation Date (for the purposes of clause 5.1(a)) to pay to the ATO in respect of any Scheme Shareholder.

## 1.2 Interpretational Rules

Rules of interpretation shall apply to this Agreement as specified in this provision, unless the context otherwise requires:

- (a) headings and subheadings are for convenience only and shall not affect interpretation, except for specified cross-references;
- (b) words denoting the singular number include the plural, and the converse also applies;
- (c) words denoting any gender include all genders;
- (d) a defined word or expression has corresponding effect in relation to its other grammatical forms;
- (e) any reference to a party to any agreement or document includes its executors, administrators, legal personal representatives, successors and permitted assigns and substitutes by way of assignment or novation;
- (f) any reference to any agreement or document includes that agreement or document as amended, ratified, supplemented, novated or replaced at any time;
- (g) any reference to a clause, schedule, annexure, exhibit or attachment is a reference to a clause of, or schedule, annexure, exhibit or attachment to, this Agreement;
- (h) any reference to a provision of or in this Agreement, means a clause, schedule, annexure, exhibit or attachment of or to this Agreement, including each clause, subclause, paragraph and subparagraph of that clause, schedule, annexure, exhibit or attachment;
- (i) any reference to any legislation includes a reference to that legislation as amended, re-enacted, consolidated or replaced at any time, and includes all regulations, delegations, instruments and orders made under it;

- (j) the words “include”, “including”, “for example”, and similar expressions are used without limitation;
- (k) any reference to any whole or collective items includes any part of that item;
- (l) the expression at any time includes reference to past, present and future time and the performance of any action from time to time and any liability at all times during any specified period;
- (m) a reference to dollars and \$ is to Australian currency;
- (n) all references to time are to Sydney, Australia time; and
- (o) words and phrases not specifically defined in this Agreement have the same meanings (if any) given to them in the Corporations Act.

### **1.3 Best and reasonable endeavours**

A reference to a party using or an obligation on a party to use its best endeavours or reasonable endeavours does not oblige that party to:

- (a) pay money:
  - (i) in the form of an inducement or consideration to a third party to procure something (other than the payment of immaterial expenses or costs, including costs of advisers, to procure the relevant thing); or
  - (ii) in circumstances that are commercially onerous or unreasonable in the context of this Agreement;
- (b) provide other valuable consideration to or for the benefit of any person; or
- (c) agree to commercially onerous or unreasonable conditions.

### **1.4 Liability**

Any agreement in this Agreement by two or more persons named as the same separate party to this Agreement shall be a joint and several liability of each named person.

### **1.5 Performance**

- (a) Any action required to be performed under any provision of this Agreement on or prior to a day which is not a Business Day shall be performed on or prior to the immediately following Business Day.
- (b) In relation to each material obligation of a party under this Agreement, time is of the essence.

## **1.6 Accounting Practices**

For the purposes of this Agreement, unless otherwise specified:

- (a) any determination as to financial matters and any financial accounts or statements made or prepared under this Agreement shall comply with GAAP, except for any disclosed departure;
- (b) any accounting term used in this Agreement (including cash and cash-equivalent assets) shall be interpreted in compliance with general accounting standards; and
- (c) all accounting terms used in this Agreement (including cash and cash-equivalent assets) shall have the meanings attributable thereto under GAAP.

## **1.7 Knowledge**

Certain statements made in Schedule 4 and Schedule 5 are given and made by a party only on the basis of its knowledge, belief or awareness. For the purposes of this Agreement, a party's knowledge, belief or awareness is limited to the actual knowledge, belief or awareness of that party, having made reasonable enquiries of the directors of that party, the Chief Executive Officer (or, as applicable, acting Chief Executive Officer) of that party, all other officers of that party and each employee (whether being an employee of that party or of a Related Body Corporate of that party) who reports directly to the Chief Executive Officer (or, as applicable, acting Chief Executive Officer) of that party and such other individuals as the parties may agree in writing.

## **1.8 Consents and approvals**

If the doing of any act, matter or thing under this Agreement is dependent on the consent or approval of a party or is within the discretion of a party, such consent or approval may be given or such discretion may be exercised conditionally or unconditionally or withheld by the party in its absolute discretion (unless this Agreement specifies otherwise).

## **1.9 Breach of Conditions Precedent**

For the avoidance of doubt, a reference in this Agreement to a Condition Precedent being breached includes a reference to the Condition Precedent becoming incapable of being satisfied.

## **2. SCHEME**

### **2.1 Scheme**

Intecq shall propose the Scheme to Intecq Shareholders on and subject to the terms of this Agreement.

## 2.2 Effect of the Scheme

The parties acknowledge and agree that, subject to the Scheme becoming Effective, on the Implementation Date the general effect of the Scheme will be that all of the Scheme Shares will be transferred to Bidco and the Scheme Shareholders will be entitled to receive, for each Scheme Share held at the Record Date, the Scheme Consideration.

## 2.3 No amendment to the Scheme without consent

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

## 3. IMPLEMENTATION

### 3.1 Mutual Obligations

- (a) Each party must use all reasonable endeavours to give effect to the Scheme subject to compliance with their respective obligations, powers and duties under this Agreement, its constitution, all applicable Laws and the proper performance by the directors of each party of their fiduciary duties.
- (b) For the avoidance of doubt, clause 3.1(a) operates without prejudice to and does not limit any other obligation imposed on a party under this Agreement.

### 3.2 Process Regarding Intecq

Intecq must take all action necessary to propose and implement the Scheme as soon as is reasonably practicable after the date of this Agreement and otherwise substantially in accordance with the Timetable, and in particular Intecq must:

- (a) **(preparation of Intecq Scheme Document)** as soon as reasonably practicable after the date of this Agreement, prepare the Intecq Scheme Document in accordance with clause 3.4;
- (b) **(Independent Expert)** promptly appoint the Independent Expert (if the Independent Expert has not been appointed prior to the date of this Agreement) and provide all assistance and information reasonably requested by the Independent Expert to enable it to prepare its Independent Expert's Report as soon as practicable;
- (c) **(draft Independent Expert's Report)** subject to obtaining the Independent Expert's consent (which Intecq must use all reasonable endeavours to obtain), on receipt, provide Tabcorp with:
  - (i) a copy of a near-final 'factual accuracy draft' of the Independent Expert's Report received from the Independent Expert; and

- (ii) a copy of the final independent Expert's Report received from the Independent Expert;
- (d) **(liaison with ASIC)** as soon as reasonably practicable after the date of this Agreement but no later than 14 days before the First Court Date, provide an advanced draft of the Intecq Scheme Document to ASIC for its review and approval for the purposes of section 411(2) of the Corporations Act, and to Tabcorp, and (to the extent reasonably practicable) keep Tabcorp reasonably informed of any matters raised by ASIC in relation to the Intecq Scheme Document (and of any resolution of those matters), and use its best endeavours, in co-operation with Tabcorp, to resolve any such matters (which will include allowing Tabcorp to participate in Intecq's meetings and discussions with ASIC);
- (e) **(approval of Intecq Scheme Document)** as soon as practicable after ASIC has provided its indication of intent in accordance with clause 3.2(g)(i), procure that a meeting of the Intecq Board is convened to approve the Intecq Scheme Document for despatch to Intecq Shareholders, subject to orders of the Court under section 411(1) of the Corporations Act;
- (f) **(Court and Court documents)** apply to the Court for the Interim Order and use all reasonable endeavours to file such application, and ensure that the application is heard, as soon as reasonably practicable and in any event in accordance with the Timetable, and consult with Tabcorp as to the content of all relevant originating processes, affidavits, submissions and draft minutes of Court orders (including providing Tabcorp with drafts of those documents for review and (acting reasonably and in good faith) taking into account, for the purposes of amending those drafts, any comments from Tabcorp and its Representatives on those drafts);
- (g) **(indication of intent and s 411(17)(b) statement)** apply to ASIC for:
  - (i) a letter indicating whether ASIC proposes to make submissions to the Court, or intervene to oppose the Scheme, on the First Court Date; and
  - (ii) production of a statement pursuant to section 411(17)(b) of the Corporations Act to the effect that ASIC has no objection to the Scheme;
- (h) **(Scheme Meeting)** if the Interim Order is obtained:
  - (i) request ASIC to register the explanatory statement included in the Intecq Scheme Document in accordance with section 412(6) of the Corporations Act;
  - (ii) call and hold the Scheme Meeting in accordance with the Interim Order and put the resolution to approve the Scheme to Intecq Shareholders at the Scheme Meeting; and

- (iii) in connection therewith, prepare, file and distribute the Intecq Scheme Document and such other documents (including documents required by the ASX, ASIC, the Court or any applicable Laws) as may be necessary or desirable to permit Intecq Shareholders to vote on the Scheme;
- (i) **(update Intecq Scheme Document)** if it becomes aware of information after the date of despatch of the Intecq Scheme Document that is material for disclosure to Intecq Shareholders in deciding whether to approve the Scheme or that is required to be disclosed to Intecq Shareholders under any applicable Law, as expeditiously as practicable:
  - (i) inform Intecq Shareholders of the information in an appropriate and timely manner, and in accordance with applicable law and after consultation with Tabcorp as to the manner of provision of that information to Intecq Shareholders; and
  - (ii) to the extent it is reasonably practicable to do so, provide Tabcorp with drafts of any documents that it proposes to issue to Intecq Shareholders under this clause 3.2(i) and (acting reasonably and in good faith) take into account, for the purpose of amending those drafts, any comments received in a timely manner from Tabcorp or its Representatives on those drafts;
- (j) **(Court approval)** if the Scheme is approved at the Scheme Meeting:
  - (i) apply to the Court for the Final Order within five Business Days after the date of the Scheme Meeting or within such longer period as the parties may agree, and consult with Tabcorp as to the content of all relevant originating processes, affidavits, submissions and draft minutes of Court orders; and
  - (ii) on the Second Court Date provide to the Court a certificate confirming (in respect of matters within its knowledge) whether or not the Conditions Precedent (other than the Condition Precedent in clause 4.1(d)) have been satisfied or waived in accordance with the terms of this Agreement;
- (k) **(implementation of the Scheme)** if the Final Order is obtained and the Conditions Precedent have been satisfied or waived in accordance with the terms of this Agreement:
  - (i) as soon as practicable, notify ASX of the Final Order;
  - (ii) lodge with ASIC a copy of the Final Order in accordance with section 411(10) of the Corporations Act by no later than 5:00pm (Sydney time) on the first Business Day after the day on which the Final Order is obtained;

- (iii) procure ASX to suspend trading in Intecq Shares from the close of trading on the Effective Date;
  - (iv) close the Register as at the Record Date and determine entitlements to Scheme Consideration in accordance with the Scheme;
  - (v) execute proper instruments of transfer of, and effect and register the transfer of, the Scheme Shares in accordance with the Scheme;
  - (vi) take all reasonable steps to maintain Intecq's listing on ASX, notwithstanding any suspension in quotation of Intecq Shares, up to and including the Implementation Date; and
  - (vii) do all other things contemplated by or necessary to give effect to the Scheme and the Final Order;
- (l) **(provide Register information)** as soon as practicable after the Record Date, and in any event at least three Business Days before the Implementation Date, give to Tabcorp (or as it directs) details of the names, registered addresses and holdings of Intecq Shares of every Scheme Shareholder as shown in the Register as at the Record Date, in such form as Tabcorp may reasonably require;
- (m) **(representation)** allow, and not oppose, any application by Tabcorp or Bidco for leave of the Court to be represented, or the separate representation of Tabcorp or Bidco by counsel, at the Court hearings for the purposes of sections 411(1) and 411(4)(b) of the Corporations Act in relation to the Scheme, provided that in making any application for representation or in appearing before the Court, Tabcorp and Bidco act in accordance with the Transaction Documents and do not oppose any application by Intecq in exercise of its rights under the Transaction Documents;
- (n) **(keep Tabcorp informed)** from the First Court Date until the Implementation Date, promptly inform Tabcorp if it becomes aware (or ought reasonably to have become aware, after making all reasonable and diligent enquiries) that the Intecq Scheme Document contains a statement that is or has become misleading or deceptive in a material respect or that contains a material omission;
- (o) **(compliance with laws)** do everything reasonably within its power to ensure that all transactions contemplated by this Agreement are effected in accordance with all applicable Laws and regulations; and
- (p) **(all things necessary)** do all other things contemplated by or necessary to lawfully give effect to the Scheme and the orders of the Court approving the Scheme.

### 3.3 Process Regarding Tabcorp

Tabcorp must take, to the extent it is within its power to do so, all action necessary to facilitate the implementation of the Scheme as soon as is reasonably practicable after the date of this Agreement and otherwise substantially in accordance with the Timetable, and in particular Tabcorp must:

- (a) **(provide information)** provide to Intecq the information referred to in clause 3.4(b);
- (b) **(Independent Expert information)** provide all assistance and information reasonably required by the Independent Expert in connection with the preparation of the Independent Expert's Report;
- (c) **(Deed Poll)** execute the Deed Poll, and procure that Bidco executes the Deed Poll, prior to the First Court Date;
- (d) **(certificate)** on the Second Court Date provide to the Court a certificate confirming (in respect of matters within its knowledge) whether or not the Conditions Precedent (other than the Condition Precedent in clause 4.1(d)) have been satisfied or waived in accordance with the terms of this Agreement;
- (e) **(Scheme Consideration)** if the Scheme becomes Effective, procure the provision by Bidco of the Scheme Consideration in the manner and amount contemplated by clause 5.1; and
- (f) **(all things necessary)** do all other things contemplated by or necessary to lawfully give effect to the Scheme and the orders of the Court approving the Scheme; and
- (g) **(removal from official list)** on a date (to be determined by Tabcorp) after the Implementation Date, ensure that Intecq applies to have itself removed from the official list of ASX in accordance with the requirements of ASX.

### 3.4 Preparation of Intecq Scheme Documentation

- (a) Intecq must:
  - (i) prepare the Intecq Scheme Document, in accordance and compliance with applicable Laws (including the requirements of the Corporations Act, the Corporations Regulations, ASX Listing Rules and ASIC Regulatory Guide 60);
  - (ii) make available to Tabcorp drafts of the Intecq Scheme Document, consult with Tabcorp in relation to the content of those drafts and (acting reasonably and in good faith) take into account, for the purpose of amending those drafts, any comments from Tabcorp and its Representatives on those drafts;

- (iii) obtain Tabcorp's prior written consent to include, in the form and context in which it is proposed to appear in the Intecq Scheme Document, the Tabcorp Provided Information (which consent must not be unreasonably withheld by Tabcorp);
  - (iv) if, at any time after the despatch of the Intecq Scheme Document to Intecq Shareholders, it becomes aware that the Intecq Scheme Document, or any document delivered to the Court in connection with the application for the Interim Order or Final Order or any other document delivered to Intecq Shareholders in connection with the Scheme Meeting:
    - (1) contains a misleading or deceptive statement of a material fact, omits to state a material fact required to be stated in those documents or that otherwise requires an amendment or a supplement to those documents; or
    - (2) is misleading or deceptive in any material respect (including by way of material omission),then if considered by Intecq that supplementary disclosure is required, Intecq must provide supplementary disclosure to Intecq Shareholders after providing Tabcorp with a reasonable opportunity to comment on the proposed content and presentation of that supplementary disclosure (and Tabcorp must provide any comments as soon as reasonably practicable) and after obtaining any required Court approvals;
  - (v) keep Tabcorp informed regarding any matters raised by ASIC or ASX in connection with the Intecq Scheme Document and use all reasonable endeavours, in co-operation with Tabcorp, to resolve any such matters; and
  - (vi) undertake appropriate verification processes in relation to the Intecq Provided Information included in the Intecq Scheme Document.
- (b) Tabcorp shall provide to Intecq all information regarding itself, Bidco, the Tabcorp Group and their directors, officers and shareholders as may reasonably be required to be included in the Intecq Scheme Document pursuant to applicable Laws (including the Corporations Act, the Corporations Regulations and ASIC Regulatory Guide 60) and shall:
- (i) ensure that all Tabcorp Provided Information that is contained in the Intecq Scheme Document does not contain any misleading or deceptive statement of a material fact or omit to state a material fact required to be stated in the Intecq Scheme Document that is necessary to make any statement that the Tabcorp Provided Information contains

not misleading in light of the circumstances in which it is made;

- (ii) undertake appropriate verification processes in relation to the Tabcorp Provided Information; and
- (iii) promptly notify Intecq if, at any time after the despatch of the Intecq Scheme Document to Intecq Shareholders, it becomes aware that the Tabcorp Provided Information:
  - (1) contains a misleading or deceptive statement of a material fact, omits to state a material fact required to be stated in that information or that otherwise requires an amendment or a supplement to that information; or
  - (2) is misleading or deceptive in any material respect (including by way of any material omission).

### 3.5 Public Announcement

- (a) Immediately after the execution of this Agreement, Intecq shall release an ASX announcement announcing the entering into of this Agreement, where such announcement must be in the form and substance agreed between Intecq and Tabcorp.
- (b) Nothing in this clause 3.5 shall prevent any party from making any disclosure required by Law but in any such case, subject to applicable Laws and to the extent reasonably practical and legally permitted, the disclosing party will provide the other party with prior notice before making the disclosure and provide details of the proposed form, nature and purpose of such disclosure.

### 3.6 Reconstitution of Intecq Board

On the Implementation Date, after Intecq has commenced the despatch of the Scheme Consideration to Scheme Shareholders in accordance with the Scheme or the Scheme Shares have been registered in the name of Bidco (whichever is earlier) and subject to Intecq having received consent to act as a director from each person nominated by Tabcorp, Intecq must:

- (a) take all actions necessary to appoint the persons nominated by Tabcorp as new directors of Intecq and each other Intecq Group Member; and
- (b) procure that all directors on the Intecq Board and all directors on any other Intecq Group Member board (other than the directors appointed pursuant to clause 3.6(a) or, in the case of Gaming Solutions Pty Limited, the directors appointed by a person other than an Intecq Group Member) resign from the Intecq Board or the relevant Intecq Group Member board (as applicable) and release the Intecq Group from any claims the directors may have.

#### 4. CONDITIONS PRECEDENT

##### 4.1 Conditions Precedent

Subject to this clause 4, the Scheme will not become Effective, and the obligations of Tabcorp and Bidco under clause 5.1(b) will not be binding, unless and until each of the following Conditions Precedent is satisfied or waived to the extent and in the manner set out in this clause 4:

##### **Conditions Precedent for the benefit of Tabcorp and Intecq**

- (a) **(Regulatory Approvals)** before 8.00am on the Second Court Date:
- (i) **(ACCC)** one of the following has occurred:
- (1) Tabcorp has received written notice from the ACCC to the effect that the ACCC does not propose to oppose, intervene or seek to prevent the implementation of the Transaction under or by reference to section 50 of the *Competition and Consumer Act 2010* (Cth), which notification is either unconditional or is on conditions, or requires undertakings, which (in each case) are acceptable to Tabcorp acting reasonably;
  - (2) Tabcorp is granted clearance or authorisation to implement the Transaction by the ACCC or the Australian Competition Tribunal, unless revoked or stayed, which clearance or authorisation is either unconditional or is on conditions, or requires undertakings, which (in each case) are acceptable to Tabcorp acting reasonably; or
  - (3) the Federal Court of Australia or any other competent Australian court has made a declaration that the implementation of the Transaction would not contravene the *Competition and Consumer Act 2010* (Cth) either unconditionally or on conditions or subject to the provision of undertakings acceptable to Tabcorp acting reasonably; and
- (ii) **(other Regulatory Approvals)** all other Regulatory Approvals required to implement the Transaction are granted or obtained and those Regulatory Approvals are not withdrawn, cancelled or revoked;
- (b) **(Independent Expert's Report)** the Independent Expert issues an Independent Expert's Report which concludes that the Scheme is in the best interests of Intecq Shareholders before the time that the Intecq Scheme Document is registered by ASIC;

- (c) **(Intecq Shareholder approval)** the resolution to approve the Scheme is passed by the requisite majorities of Intecq Shareholders under section 411(4)(a)(ii) of the Corporations Act;
- (d) **(Court approval of Scheme)** the Scheme is approved by the Court in accordance with section 411(4)(b) of the Corporations Act;
- (e) **(no restraints)** no judgment, order, decree, statute, law, ordinance, rule or regulation, or other temporary restraining order, preliminary or permanent injunction, restraint or prohibition, entered, enacted, promulgated, enforced or issued by any court or other Agency of competent jurisdiction remains in effect as at 8.00am on the Second Court Date that prohibits, materially restricts, makes illegal or restrains the completion of the Scheme or any Transaction Document;

#### **Conditions Precedent for the benefit of Tabcorp only**

- (f) **(no Prescribed Events)** no Prescribed Event occurs or becomes known to Tabcorp between the date of this Agreement and 8.00am on the Second Court Date;
- (g) **(no Material Adverse Change)** no Material Adverse Change occurs, or is discovered, announced or disclosed or otherwise becomes known to Tabcorp, between the date of this Agreement and 8.00am on the Second Court Date;
- (h) **(Intecq representations and warranties)** the representations and warranties of Intecq set out in Schedule 4:
  - (i) that are qualified as to materiality, are true and correct; and
  - (ii) that are not so qualified, are true and correct in all material respects,

as at the date of this Agreement and as at 8.00am on the Second Court Date (or if a representation or warranty is expressed to be operative as at any other date, as at that date).

#### **Conditions Precedent for the benefit of Intecq only**

- (i) **(Tabcorp representations and warranties)** the representations and warranties of Tabcorp set out in Schedule 5:
  - (i) that are qualified as to materiality, are true and correct; and
  - (ii) that are not so qualified, are true and correct in all material respects,

as at the date of this Agreement and as at 8.00am on the Second Court Date (or if a representation or warranty is expressed to be operative as at any other date, as at that date); and

- (j) **(no Insolvency Event)** no Insolvency Event occurs in relation to Tabcorp or Bidco between the date of this Agreement and 8.00am on the Second Court Date.

#### **4.2 Benefit and waiver of Conditions Precedent**

- (a) The Conditions Precedent in clauses 4.1(a) to 4.1(e) are for the benefit of each party, and (except in the case of the Conditions Precedent in clauses 4.1(c) and 4.1(d), which cannot be waived) any breach or non-fulfilment of any of those Conditions Precedent may only be waived with the written consent of both parties.
- (b) The Conditions Precedent in clauses 4.1(f) to 4.1(h) are for the sole benefit of Tabcorp, and any breach or non-fulfilment of any of those Conditions Precedent may only be waived by Tabcorp giving its written consent.
- (c) The Conditions Precedent in clauses 4.1(i) and 4.1(j) are for the sole benefit of Intecq, and any breach or non-fulfilment of any of those Conditions Precedent may only be waived by Intecq giving its written consent.
- (d) A party entitled to waive the breach or non-fulfilment of a Condition Precedent pursuant to this clause 4.2 may do so in its absolute discretion.
- (e) If a waiver by a party of a Condition Precedent is itself expressed to be conditional and the other party accepts the conditions, the terms of the conditions apply accordingly. If the other party does not accept the conditions, the relevant Condition Precedent has not been waived.
- (f) If a party waives the breach or non-fulfilment of a Condition Precedent, that waiver will not preclude it from suing the other party for any breach of this Agreement constituted by the same event that gave rise to the breach or non-fulfilment of the Condition Precedent.
- (g) Waiver of a breach or non-fulfilment in respect of one Condition Precedent does not constitute:
  - (i) a waiver of breach or non-fulfilment of any other Condition Precedent resulting from the same events or circumstances; or
  - (ii) a waiver of breach or non-fulfilment of that Condition Precedent resulting from any other event or circumstance.

#### **4.3 Best endeavours and co-operation**

Without prejudice to any other obligations of the parties under this Agreement:

- (a) Tabcorp must use its best endeavours to satisfy, or procure the satisfaction of, the Conditions Precedent in clauses 4.1(i) and 4.1(j);

- (b) Intecq must use its best endeavours to satisfy, or procure the satisfaction of, the Conditions Precedent in clauses 4.1(b), 4.1(c), 4.1(f), 4.1(g) and 4.1(h);
- (c) each of Intecq and Tabcorp must use their respective best endeavours to satisfy, or procure the satisfaction of, the Conditions Precedent in clauses 4.1(a), 4.1(d) and 4.1(e), to the extent that it is within their respective control; and
- (d) neither party will take any action that will or is likely to hinder or prevent the satisfaction of any Condition Precedent, except to the extent that such action is required to be done or procured pursuant to, or is otherwise permitted by, the Transaction Documents, or is required by Law.

Subject to clauses 1.3 and 4.6, for the purposes of paragraphs (a), (b) and (c) of this clause 4.3, the 'best endeavours' of a party will require that party to (among other things) co-operate with the other party or an Agency or third party in good faith with a view to satisfying the Conditions Precedent, including providing all information reasonably required by the other party in relation to the Tabcorp Group or the Intecq Group (as applicable) in order to satisfy the Conditions Precedent and providing all information reasonably required by any Agency or other third party to such Agency or third party as appropriate.

#### **4.4 Notifications**

Each party must:

- (a) keep the other party promptly and reasonably informed of the steps it has taken and of its progress towards satisfaction of the Conditions Precedent;
- (b) promptly notify the other party in writing if it becomes aware that any Condition Precedent has been satisfied, in which case the notifying party must also provide reasonable evidence that the Condition Precedent has been satisfied; and
- (c) promptly notify the other party in writing of a failure to satisfy a Condition Precedent or of any fact or circumstance that results in that Condition Precedent becoming incapable of being satisfied or that may result in that Condition Precedent not being satisfied in accordance with its terms (having regard to the obligations of the parties under clause 4.3 and the terms of clause 4.6).

#### **4.5 Conditions Precedent not capable of being fulfilled**

- (a) If:
  - (i) any Condition Precedent is not satisfied or (where capable of waiver) waived by the date specified in this Agreement for its satisfaction (or an event occurs which would or is likely to prevent a Condition Precedent being satisfied by the date specified in this Agreement); or

- (ii) a circumstance occurs with the result that a Condition Precedent is not capable of being fulfilled and, if the Condition Precedent is able to be waived by a party under clause 4.2 the party does not waive the Condition Precedent within five Business Days after the occurrence of the circumstance; or
  - (iii) the Scheme does not become Effective by the Sunset Date,  
then Tabcorp and Intecq must consult in good faith with a view to determining whether:
    - (i) the Scheme may proceed by way of alternative means or methods;
    - (ii) to extend the relevant time or date for satisfaction of the Condition Precedent;
    - (iii) to change the date of the application to be made to the Court for orders under section 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application (as applicable) to another date agreed by the parties; or
    - (iv) to extend the Sunset Date.
- (b) Subject to clause 4.5(c), if a Condition Precedent becomes incapable of being satisfied before the Sunset Date and Tabcorp and Intecq are unable to reach agreement under clause 4.5(a) within five Business Days after the date on which they both become aware that the Condition Precedent has become incapable of being satisfied (or, if earlier, by 8.00am on the Second Court Date), then unless the relevant Condition Precedent (where capable of waiver) is waived:
- (i) in relation to the Conditions Precedent in clauses 4.1(a), 4.1(b), 4.1(c), 4.1(d) and 4.1(e), either Tabcorp or Intecq may terminate this Agreement by giving the other notice;
  - (ii) in relation to the Conditions Precedent in clauses 4.1(f), 4.1(g) and 4.1(h), Tabcorp may terminate this Agreement by giving Intecq notice; and
  - (iii) in relation to the Conditions Precedent in clauses 4.1(i) and 4.1(j), Intecq may terminate this Agreement by giving Tabcorp notice,
- within 10 Business Days (or any shorter period ending before 8.00am on the Second Court Date), without any liability to any other party by reason of that termination alone except as otherwise contemplated in this Agreement.
- (c) A party will not be entitled to terminate this Agreement pursuant to clause 4.5(b) if the relevant Condition Precedent has not been satisfied as a result of:

- (i) a breach of this Agreement by that party; or
- (ii) a deliberate act or omission of that party which either alone or together with other circumstances prevents that Condition Precedent being satisfied.

#### 4.6 Conditions of Regulatory Approvals

Notwithstanding anything in this Agreement to the contrary, in obtaining any Regulatory Approval, Tabcorp will not be required to agree to conditions:

- (a) requiring Tabcorp to agree to or proffer to:
  - (i) divest or hold separate any of Tabcorp's, Intecq's or any of their respective Related Bodies Corporate's material businesses or assets; or
  - (ii) cease to conduct or materially reduce the scope of any material business or operations in any jurisdiction in which Tabcorp, Intecq or any of their respective Related Bodies Corporate conducts business or operations as at the date of this Agreement; or
  - (iii) limit the type or scope of any proposed or potential business or operations in any jurisdiction (whether or not Tabcorp, Intecq or any of their respective Related Bodies Corporate conducts business or operations in that jurisdiction as at the date of this Agreement); or
- (b) that do not merely impose procedural or other non material requirements incidental to the Regulatory Approval,

and any Regulatory Approval that is given subject to any such conditions will not satisfy the Condition Precedent to which it relates, unless Tabcorp agrees otherwise (in its sole and absolute discretion).

#### 4.7 Certificates in relation to Conditions Precedent

Each party must provide to the other party a draft of the relevant certificate to be provided by it pursuant to clause 3.2(j)(ii) or clause 3.3(d) (as applicable) by 5.00pm on the day that is two Business Days prior to the Second Court Date, and must provide to the other party on the Second Court Date a copy of the final certificate or other evidence provided to the Court.

### 5. SCHEME CONSIDERATION

#### 5.1 Scheme Consideration

- (a) The consideration to be provided by Bidco in respect of each Scheme Share is \$7.15 (the "**Scheme Consideration**").
- (b) Subject to clauses 4.1 and 11, Tabcorp undertakes and warrants to Intecq that, in consideration of the transfer to Bidco of each Scheme

Share held by a Scheme Shareholder under the terms of the Scheme Tabcorp will procure:

- (i) that Bidco accepts that transfer on the Implementation Date; and
- (ii) the deposit by Bidco of, in cleared funds, by no later than the Business Day before the Implementation Date, an amount equal to the Scheme Consideration payable to all Scheme Shareholders (less any Withheld Tax Amounts) into a trust account operated by Intecq as trustee for the Scheme Shareholders, for payment to Scheme Shareholders, in accordance with the terms of the Scheme and the Deed Poll.

## **5.2 Issue of Idol Shares and Intecq Shares pursuant to employee incentive arrangements**

Intecq must take all actions necessary to ensure that:

- (a) the Idol Shares; and
- (b) any Intecq Shares which Intecq is required to issue pursuant to the arrangements referred to in Part 2(a) of Schedule 3, which number of Intecq Shares must not exceed 239,195,

are issued prior to the Second Court Date, and must provide to Tabcorp evidence to the satisfaction of Tabcorp that all such Intecq Shares have been so issued.

## **6. REPRESENTATIONS AND WARRANTIES**

### **6.1 Representations and Warranties of Intecq**

Intecq:

- (a) represents and warrants to Tabcorp (in its own right and separately as trustee or nominee for Bidco) that each of the matters and statements set out in Schedule 4 is true and correct as at the following times (unless expressed to be given at a particular time):
  - (i) as at the date of this Agreement; and
  - (ii) as at 8.00am on the Second Court Date; and
- (b) acknowledges that Tabcorp is relying on such representations and warranties in entering into this Agreement and consummating the Transaction.

## **6.2 Representations and Warranties of Tabcorp**

Tabcorp:

- (a) represents and warrants to Intecq that each of the matters and statements set out in Schedule 5 is true and correct as at the following times (unless expressed to be given at a particular time):
  - (i) as at the date of this Agreement; and
  - (ii) as at 8.00am on the Second Court Date; and
- (b) acknowledges that Intecq is relying on such representations and warranties in entering into this Agreement and consummating the Transaction.

## **6.3 No other Warranties or Reliance**

Each party acknowledges and confirms that:

- (a) no other party nor any person acting on behalf of that party has made any warranty, representation or other inducement to it to enter into this Agreement, and
- (b) it does not enter into this Agreement in reliance on any warranty, representation or other inducement by or on behalf of the other party, except as set out in this Agreement.

## **6.4 Survival of Representations and Warranties**

Each representation and warranty in this clause 6:

- (a) is severable;
- (b) will survive the termination of this Agreement; and
- (c) is given with the intent that liability under it will not be confined to breaches that are discovered prior to the date of termination of this Agreement.

## **7. CO-OPERATION**

### **7.1 General**

Each of Intecq and Tabcorp shall use all reasonable endeavours to take, or cause to be taken, all action and to do, or cause to be done, all other acts and things necessary or desirable to permit the completion of the Transaction in accordance with this Agreement, the Scheme and applicable Laws, and to cooperate with each other in connection therewith, including using all reasonable efforts to:

- (a) provide notice to, and obtain all waivers, consents, permits, licences, authorisations, orders, approvals and releases necessary or desirable

to complete the Transaction from, Agencies and other persons, including parties to agreements, understandings or other documents, to which Intecq or Tabcorp is party, or by which it, or its Property and assets, are bound or affected (including loan agreements, shareholder agreements, leases, pledges, guarantees and security), the failure of which to provide or obtain would prevent the completion of the Transaction or which, individually or in aggregate, could reasonably be expected to be Materially Adverse to Intecq or Tabcorp;

- (b) obtain the Interim Order and the approval of Intecq Shareholders at the Scheme Meeting at the earliest practicable date, in accordance with the Interim Order and applicable Laws;
- (c) effect or cause to be effected all registrations and filings and submissions of information necessary or desirable to complete the Transaction or requested of it by any Agency, the failure of which could reasonably be expected to prevent the completion of the Transaction or could reasonably be expected to be Materially Adverse to Intecq or Tabcorp; and
- (d) keep the other party reasonably informed as to the status of the proceedings related to obtaining the Regulatory Approvals.

## 7.2 Representation at Court Hearings

- (a) Tabcorp agrees:
  - (i) to arrange for its solicitors and/or counsel to be present at each Court hearing which relates to the Scheme for the purpose of ensuring that any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme to which Tabcorp (in its absolute discretion) consents is not unnecessarily delayed; and
  - (ii) to the extent that leave of the Court is required for Tabcorp to be represented at those Court hearings, apply for that leave, at its cost.
- (b) Without limiting clause 3.2(m), Intecq agrees to consent to Tabcorp being represented by counsel at any Court proceedings in respect of the Scheme.
- (c) Nothing in this Agreement gives any party any right or power to make undertakings to the Court on behalf of the other party without that party's consent.
- (d) Each party agrees to give all undertakings to the Court in all Court proceedings in respect of the Scheme which it is reasonably required by the Court to give (on an individual basis) in order to obtain Court approval of the Scheme.

### **7.3 Conduct of appeals**

If the Court refuses to grant the Interim Order or the Final Order, the parties must consult with each other in good faith to determine whether or not to appeal the Court's decision. If, in the opinion of senior counsel obtained by either party within five Business Days after the Court's decision, there are reasonable prospects of successfully appealing the Court's decision:

- (a) Intecq must appeal the Court's decision; and
- (b) the parties must agree in good faith an extension of the Sunset Date by a period of not more than three months to account for the period for determination of the appeal on an expedited basis.

For the avoidance of doubt, Intecq may, but is not required to, seek an expedited hearing of any appeal.

### **7.4 Defence of Proceedings**

- (a) Each of Intecq and Tabcorp shall use all reasonable efforts to defend, or shall cause to be defended, any lawsuits or other legal proceedings brought against it or their respective directors, officers or shareholders challenging this Agreement or the completion of the Transaction. In relation to those matters each of Intecq and Tabcorp shall bear their own respective costs.
- (b) Neither Intecq nor Tabcorp shall settle or compromise any claim brought in connection with the Transaction, without the prior written consent of the other party, such consent not to be unreasonably withheld.

### **7.5 Registrar and Transfer Agent**

Intecq shall instruct the registrar and transfer agent for Intecq Shares to furnish to Tabcorp (and such persons as it may designate) at such times as it may request such information and provide to Tabcorp (and such persons as it may designate) such other assistance as it may request in connection with the Transaction.

### **7.6 Duty to Inform**

Each of Intecq and Tabcorp shall keep the other party apprised of the status of matters relating to the completion of the Transaction and work cooperatively in connection with obtaining the requisite approvals and consents or governmental orders, including, to the extent practical:

- (a) promptly notifying the other party of any communications from or with any Agency with respect to the Transaction;
- (b) permitting the other party to review in advance, and consider in good faith the view of each party in connection with, any proposed communication with any Agency in connection with proceedings under or relating to any applicable Laws; and

- (c) not agreeing to participate in any meeting or discussion with any Agency in connection with proceedings under or relating to any applicable Laws unless it consults with the other party in advance, and, to the extent permitted by such Agency, give the other party the opportunity to attend and participate by phone or otherwise.

## 7.7 Board Recommendations and intentions

- (a) Subject to clause 7.7(d), Intecq must use its best endeavours to procure that the Intecq Scheme Document and all public statements made by Intecq in relation to the Transaction include statements that:
  - (i) the Intecq Board unanimously recommends that Intecq Shareholders vote in favour of the Scheme; and
  - (ii) each director of Intecq intends to vote all Intecq Shares held or controlled by him or her in favour of the Scheme,qualified only by words to the effect of:
  - (iii) 'in the absence of a Superior Proposal'; and
  - (iv) other than in respect of the Intecq Scheme Document or any document issued after the issue of the Intecq Scheme Document, 'subject to the Independent Expert concluding that the Scheme is in the best interests of Intecq Shareholders'.
- (b) Intecq confirms that as at the date of this Agreement, no Intecq director currently intends to recommend that Intecq Shareholders vote against the Scheme.
- (c) Intecq agrees to procure that each Intecq director votes the Intecq Shares which he or she owns, or in respect of which he or she controls the voting rights, in accordance with their recommendations to Intecq Shareholders in respect of the Scheme.
- (d) Intecq must use its best endeavours to ensure that the directors of Intecq only make a public statement or take any action that qualifies their support for the Scheme or contradicts, or subsequently change, withdraw or modify the recommendation referred to in clause 7.7(a) if:
  - (i) the Intecq Board determines, after Tabcorp's rights under clause 10.5 have been exhausted, that a Competing Proposal constitutes a Superior Proposal, and the Intecq Board has determined in good faith and acting reasonably, after having consulted with its financial and legal advisers, that failure to take this action would or would be likely to constitute a breach of the fiduciary or statutory duties of the Intecq directors; or
  - (ii) the Independent Expert concludes either prior to the despatch of the Intecq Scheme Document or prior to the

Scheme Meeting to the effect that the Scheme is not in the best interests of Intecq Shareholders.

## **8. CONDUCT OF BUSINESS**

### **8.1 Conduct of Business by Intecq**

Subject to clause 8.3, from the date of this Agreement up to and including the Implementation Date, unless Tabcorp otherwise agrees in writing (such agreement not to be unreasonably withheld) or as otherwise expressly contemplated or permitted by this Agreement, Intecq must, and must cause each Subsidiary of Intecq to, conduct its business only in, and not take any action except in, the ordinary course of business and must:

- (a) operate its business consistent with past practice, in substantially the same manner as previously conducted;
- (b) use reasonable endeavours to:
  - (i) retain the services of its key employees and executive officers; and
  - (ii) preserve its relationships with Agencies, customers, suppliers, landlords, licensors, licensees and other persons having material business dealings with it;
- (c) use reasonable endeavours to ensure that all assets are maintained in the normal course consistent with past practice; and
- (d) not take or fail to take any action that constitutes a Prescribed Event or that could reasonably be expected to result in a Prescribed Event.

### **8.2 Specific Intecq Covenants**

Subject to clause 8.3 and without limiting the generality of clause 8.1, unless:

- (a) Tabcorp otherwise consents to such action in writing (such consent not to be unreasonably withheld, conditioned or delayed);
- (b) such action is expressly provided for in the Operating Budget;
- (c) such action is expressly contemplated or permitted by this Agreement or the Scheme; or
- (d) such action is fairly disclosed in the Disclosure Letter,

Intecq shall:

- (e) not do nor permit to occur any of the following (directly or indirectly) with respect to any Intecq Group Member (where "it" is a reference to each Intecq Group Member):

- 
- (i) issue, grant any option over, sell, transfer, pledge, lease, dispose of, encumber or agree to issue, grant any option over, sell, pledge, lease, dispose of or encumber any shares or other securities entitling the holder to rights in respect of shares or the securities or assets of any Intecq Group Member, other than:
    - (1) to a directly or indirectly wholly-owned Subsidiary of Intecq;
    - (2) the issue of up to 239,195 Intecq Shares in accordance with clause 5.2; or
    - (3) the issue of the Idol Shares in accordance with clause 5.2;
  - (ii) declare, determine, pay or make any dividend or other distribution (in cash, securities or other property) in respect of any of its securities;
  - (iii) redeem, purchase, buy-back or offer to purchase or buy-back any of its shares or securities, or enter into any agreement, understanding or arrangement with respect to the voting, registration, repurchase or buy-back of its shares or other securities;
  - (iv) adjust, split, combine, reduce or reclassify its share capital or securities or merge or consolidate its securities or shares;
  - (v) enter into a joint venture or partnership in respect of any asset or undertaking with any person;
  - (vi) other than the acquisition of inventories in the ordinary course of business and consistent with past practice, acquire or agree to acquire (by purchase, amalgamation, merger or otherwise) any property or assets that individually exceeds \$250,000 or, in aggregate, exceed \$600,000;
  - (vii) make, or commit to make, any capital expenditure that individually exceeds \$300,000;
  - (viii) terminate or amend in a material manner any Material Contract;
  - (ix) incur, create, assume, give a commitment to incur, guarantee or otherwise become liable or responsible for indebtedness for borrowed money;
  - (x) settle or compromise any suit, claim, action, proceeding, hearing, notice of violation, demand letter or investigation involving the possible payment or receipt of amounts that exceed, in aggregate, \$200,000, not being a suit, claim,

- action, proceeding, hearing or demand letter filed, issued or made by Tabcorp or any of its Related Bodies Corporate;
- (xi) modify, amend or terminate, or waive, release or assign any material rights or claims with respect to any confidentiality agreement to which it is party;
  - (xii) save in extraordinary circumstances requiring immediate dismissal from employment in accordance with Law, take any action that could give rise to a right to severance benefits pursuant to any employment, severance, termination, change in control or similar agreements or arrangements;
  - (xiii) enter into or modify any employment, severance, collective bargaining or similar agreements or arrangements with, or take any action with respect to or grant any salary or remuneration increases, bonuses, benefits, severance or termination pay to, any current or former Employees or directors or modify any agreement or arrangement with any person providing services to it; or
  - (xiv) waive any non-compete rights against any Employee;
- (f) comply, and ensure that each Intecq Group Member complies, in all material respects with all material contracts to which it is a party, and with all Laws, authorisations and licences applicable to it; and
- (g) use all reasonable endeavours to cause the current Intecq insurance (or re-insurance) policies not to be cancelled or terminated or any other coverage under those policies to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and reinsurance companies of nationally recognised standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect.

### 8.3 Exceptions

Nothing in clauses 8.1 and 8.2 shall prevent Intecq or any Intecq Group Member from doing any matter or thing:

- (a) required to be done or procured by Intecq pursuant to, or which is otherwise contemplated or permitted by, this Agreement or the Scheme; or
- (b) fairly disclosed in the Disclosure Letter as being actions that the Intecq Group may carry out between the date of this Agreement and the Implementation Date.

#### 8.4 Access to information

(a) During the period from the date of this Agreement up to and including the Implementation Date, Intecq must, and must procure each of its Subsidiaries to, respond to reasonable requests from Tabcorp and its Representatives for information concerning the Intecq Group businesses and operations, and give Tabcorp and its Representatives reasonable access to its officers and records, and otherwise provide reasonable co-operation to Tabcorp and its Representatives, in each case for the purposes of:

- (i) the implementation of the Scheme;
- (ii) the integration of the Intecq Group and Tabcorp following the implementation of the Scheme; or
- (iii) any other purpose that is agreed in writing between the parties,

subject to the proper performance by the directors and officers of Intecq and its Subsidiaries of their fiduciary duties.

(b) Without limiting clause 8.4(a), during the period from the date of this Agreement up to and including the Implementation Date, Intecq must consult with Tabcorp, on a regular and ongoing basis, in relation to the conduct of material aspects of the Intecq Group businesses and operations, and consider in good faith Tabcorp's views in relation to the same, and:

- (i) consult with Tabcorp in relation to any proposed extension, renewal, replacement, revocation, amendment or surrender of any Regulatory Approval that is material to the business or operations of any member of the Intecq Group, and promptly take, or refrain from taking, such action in relation to that proposal as may be reasonably requested by Tabcorp (such reasonableness to be determined having regard to the interests of the Intecq Group); and
- (ii) consult with Tabcorp in relation to any material dealings with any Agency in connection with the business or operations of any member of the Intecq Group.

(c) Without limiting clauses 4 and 5 of Schedule 4, the obligations in clauses 8.4(a) and 8.4(b) do not require Intecq to:

- (i) provide information to Tabcorp concerning the Intecq directors' and management's consideration of the Scheme;
- (ii) provide any commercially sensitive or competitive information; or
- (iii) breach an obligation of confidentiality to any person.

## **9. BREAK FEE**

### **9.1 Declarations**

Clauses 9.2 and 9.3 have been included at the request of Tabcorp and Intecq respectively on the basis that they would not have entered into this Agreement and would not have entered into and continued negotiations and conducted due diligence leading up to this Agreement had they not each had a reasonable expectation that the other would agree to enter into a clause of this kind.

### **9.2 Break Fee – Intecq**

Subject to clauses 9.4 and 9.5, Intecq must pay the Intecq Break Fee to Tabcorp in accordance with clause 9.6, without withholding or set off, if:

- (a) a Competing Proposal is announced or made prior to the Sunset Date and is publicly recommended, promoted or otherwise endorsed by the Intecq Board or any of the Intecq directors;
- (b) a Competing Proposal is announced or made prior to the Sunset Date and is completed at any time prior to the first anniversary of the date of this Agreement and, as a result, a third party acquires Control of Intecq or the Intecq Group;
- (c) any director of Intecq or the Intecq Board as a whole:
  - (i) makes a public statement or makes a statement in the Intecq Scheme Document:
    - (1) withdrawing or adversely changing or modifying his, her or their recommendation that Intecq Shareholders vote in favour of the Scheme;
    - (2) recommending that Intecq Shareholders vote against the Scheme;
    - (3) that he or she or any director of Intecq will not or intends not to vote (or procure the voting of) all Intecq Shares which he or she or the relevant director owns or in respect of which he or she or the relevant director controls the voting rights in favour of the Scheme; or
    - (4) that he or she or any director of Intecq will or intends to vote against the Scheme in respect of the Intecq Shares which he or she owns or in respect of which he or she controls the voting rights; or
  - (ii) does not recommend in the Intecq Scheme Document that Intecq Shareholders approve the Scheme,

other than in circumstances where the Independent Expert concludes (including in the Independent Expert's Report or any update, revision or amendment thereto) that the Scheme is not in the best interests of Intecq Shareholders except where that conclusion is due wholly or partly to the existence or announcement of a Competing Proposal;

- (d) Tabcorp terminates this Agreement in accordance with clause 11.3(b); or
- (e) the Condition Precedent in clause 4.1(f) is breached or not satisfied prior to 8.00am on the Second Court Date and Tabcorp terminates this Agreement in accordance with clause 4.5.

### **9.3 Break Fee – Tabcorp**

Subject to clauses 9.4 and 9.5, Tabcorp must pay the Tabcorp Break Fee to Intecq in accordance with clause 9.6, without withholding or set off:

- (a) if at any time after the date of this Agreement Intecq terminates this Agreement in accordance with clause 11.2(b); or
- (b) if:
  - (i) the Condition Precedent in clause 4.1(a)(ii) (which, for the avoidance of doubt, does not include any matter referred to in clause 4.1(a)(i)) is not satisfied as a result of an Agency finally determining (following the exhaustion of all reasonable avenues of appeal) to refuse to grant or provide a Regulatory Approval;
  - (ii) that refusal does not result from, or is not referable to, a breach by Intecq of clause 4.3 or otherwise results from any act or omission by or on behalf of Intecq; and
  - (iii) the Agreement is terminated in accordance with clause 4.5 as a result of failing to satisfy clause 4.1(a)(ii).

For the avoidance of doubt, clause 9.3 does not apply in respect of a failure to obtain any Regulatory Approval prior to the date upon which this Agreement is terminated, in circumstances where an Agency has not issued to Tabcorp any written statement refusing to grant the Regulatory Approval (including merely because this Agreement is terminated as a result of the Condition Precedent in clause 4.1(a)(ii) not being satisfied prior to the Sunset Date).

### **9.4 No payment if Scheme becomes Effective**

A Break Fee will not be payable under clauses 9.2 or 9.3 if the Scheme becomes Effective. If a Break Fee has been paid before the Scheme becomes Effective, it must be refunded immediately.

## 9.5 Compliance with law

If it is finally determined by the Takeovers Panel or a court (following the exhaustion of all reasonable avenues of appeal) that all or any part of a Break Fee required to be paid under clause 9.2 or clause 9.3 (**Impugned Amount**):

- (a) would, if paid, be unlawful;
- (b) involves a breach of the fiduciary or statutory duties of the directors of Intecq or Tabcorp (as applicable); or
- (c) constitutes unacceptable circumstances or breaches an order of the Takeovers Panel,

then:

- (d) the requirement to pay the Break Fee does not apply to the extent (but only to the extent) of the Impugned Amount; and
- (e) if a party has received the Impugned Amount, it must refund it to the other party within 10 Business Days after the final determination is made.

## 9.6 Payment

Any payment of a Break Fee required under this clause 9 must be made within 5 Business Days after receipt of a tax invoice requiring payment of the Break Fee from the relevant party. The demand may only be made after the occurrence of an event referred to in clause 9.2 or 9.3, as the case may be.

## 10. EXCLUSIVITY

### 10.1 Non-Solicitation; Adverse Acts

- (a) Subject to clause 10.2, Intecq shall not directly or indirectly, including through any of its Representatives or otherwise, during the Exclusivity Period:
  - (i) solicit, initiate, invite or facilitate (including by way of furnishing non-public information) any Competing Proposal or any inquiries, negotiations, discussions or proposals regarding or in relation to, or which may reasonably be expected to lead to, a Competing Proposal;
  - (ii) participate in any discussions or negotiations regarding or in relation to any Competing Proposal;
  - (iii) approve or recommend any Competing Proposal;
  - (iv) accept or enter into any agreement, arrangement or understanding related to any Competing Proposal;

- (v) do anything that may reasonably be expected to lead to a Competing Proposal; or
  - (vi) communicate an intention to do any of the foregoing things.
- (b) In addition, Intecq shall, during the Exclusivity Period:
- (i) immediately cease and cause to be terminated any existing discussions or negotiations, directly or indirectly, with any person with respect to any Competing Proposal; and
  - (ii) not, directly or indirectly, waive or vary any terms or conditions of any confidentiality or standstill agreement that it has, as of the date hereof, entered into with any person who may be considering any Competing Proposal and shall immediately request the return (or the deletion from retrieval systems and data bases or the destruction) of all information provided by Intecq or any of its Representatives to any such person.

## 10.2 Permitted Actions

Notwithstanding anything in this Agreement, nothing in this clause 10 shall prevent the Intecq Board from:

- (a) complying with its obligations under applicable Laws to prepare and deliver a target's statement in response to an unsolicited takeover bid;
- (b) communicating with its investors in its customary manner; or
- (c) considering, participating in discussions or negotiations in respect of, entering into confidentiality agreements and providing information in connection with, or recommending and approving, an unsolicited bona fide written Competing Proposal that did not result from a breach of this clause 10, provided that the Intecq Board determines, acting in good faith and in consultation with its financial and legal advisers that:
  - (i) the Competing Proposal constitutes, or would reasonably be expected to result in, a Superior Proposal; and
  - (ii) compliance with clause 10.1 would constitute or be likely to constitute a breach of the fiduciary or statutory duties of the directors of Intecq.

## 10.3 Access to Information

- (a) If, during the Exclusivity Period, Intecq receives a request for information from a person that has made an unsolicited bona fide written Competing Proposal that did not result from a breach of clause 10 and in respect of which the proviso in clause 10.2(c) applies, then, and only in such case, the Intecq Board may, subject to

the execution by such person of a confidentiality agreement containing terms at least as favourable to Intecq as those contained in the Confidentiality Agreement, provide such person with access to information regarding Intecq. For the avoidance of doubt, any such provision of information to such person may only be undertaken if permitted by clause 10.2(c).

(b) Intecq must, as soon as possible, provide Tabcorp with:

- (i) in the case of written materials, a copy of; and
- (ii) in any other case, a written statement of,

any non-public information about the business or affairs of Intecq or the Intecq Group disclosed or otherwise provided pursuant to clause 10.3(a) that has not previously been provided to Tabcorp.

#### **10.4 Notification by Intecq of approaches**

- (a) During the Exclusivity Period, Intecq must notify Tabcorp as soon as practicable in writing if it, or any other member of the Intecq Group becomes aware of any:
  - (i) proposal (or update to a previous proposal), whether written or otherwise, made to Intecq or its 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; or
  - (ii) provision by Intecq or its Representatives of any information relating to Intecq or any of its Subsidiaries or any of their businesses or operations to any person in connection with or for the purposes of a Competing Proposal.
- (b) A notice required under clause 10.4(a) must include the material terms of the proposal, including, if known, the proposed price (or implied value of proposed non-cash consideration), conditions, timing and break fee (if any), but does not need to include details of the person making the proposal.

#### **10.5 Matching right**

- (a) During the Exclusivity Period, Intecq must:
  - (i) not enter into any legally binding agreement, arrangement or understanding (whether or not in writing) to undertake a Competing Proposal; or
  - (ii) use its reasonable endeavours to ensure that none of its directors change their recommendation in favour of the Transaction or publicly recommend a Competing Proposal,

unless:

- (iii) the Intecq Board, acting in good faith, after consultation with its financial adviser and external legal adviser, determines that failure to take such action would likely be inconsistent with the directors' fiduciary or statutory duties under applicable law;
- (iv) the Intecq Board, acting in good faith and in consultation with its financial adviser and external legal adviser, determines that the proposed Competing Proposal would constitute a Superior Proposal;
- (v) Intecq has provided Tabcorp with the material terms and conditions (including the proposed price (or implied value of proposed non-cash consideration), conditions, timing and break fee (if any)) of the proposed Competing Proposal;
- (vi) Intecq has given Tabcorp a period of not less than five Business Days after the date of the provision of the information referred to in clause 10.5(a)(v) to provide a matching or superior proposal to the proposed Competing Proposal and, if requested by Tabcorp, Intecq shall have negotiated with Tabcorp in good faith during such period regarding any revisions of the terms of the Transaction proposed by Tabcorp in response to the proposed Competing Proposal; and
- (vii) after Intecq has complied with its obligations under this clause 10.5, Tabcorp has not announced a proposal which the Intecq Board, acting in good faith, determines is a matching or a superior proposal to the proposed Competing Proposal (having regard to the matters noted in paragraphs (a) and (b) of the definition of Superior Proposal) by the expiry of the five Business Day period referred to in clause 10.5(a)(vi),

and Intecq agrees that each successive material modification of a proposed Competing Proposal will constitute a new proposed Competing Proposal for the purposes of the requirements of this clause 10.5.

- (b) If Tabcorp proposes to Intecq, or announces, amendments to the Transaction Documents or a new proposal that constitutes a matching or superior proposal to the terms of the actual, proposed or potential Competing Proposal (**Tabcorp Counterproposal**) by the expiry of the 5 Business Day period referred to in clause 10.5(a)(vi), Intecq must procure that the Intecq Board considers the Tabcorp Counterproposal and if the Intecq Board, acting reasonably and in good faith, determines that the Tabcorp Counterproposal would provide an equivalent or superior outcome for Intecq Shareholders as a whole compared with the Competing Proposal, taking into account all of the terms and conditions of the Tabcorp Counterproposal, then

Intecq and Tabcorp must use their best endeavours to agree the amendments to this Agreement and, if applicable, the Scheme and Deed Poll that are reasonably necessary to reflect the Tabcorp Counterproposal and to implement the Tabcorp Counterproposal, in each case as soon as reasonably practicable, and Intecq must use its best endeavours to procure that each of the directors of Intecq continues to recommend the Scheme (as modified by the Tabcorp Counterproposal) to Intecq Shareholders.

- (c) Intecq represents and warrants to Tabcorp that it has been advised by each director of Intecq in office at the date of this Agreement that he or she will act in accordance with this clause 10.5.

## **11. TERMINATION OF AGREEMENT**

### **11.1 Termination by agreement**

This Agreement may be terminated by mutual agreement in writing executed by Intecq and Tabcorp (for the avoidance of doubt, without further action on the part of Intecq Shareholders if termination occurs after the holding of the Scheme Meeting).

### **11.2 Termination by Intecq**

This Agreement may be terminated by Intecq:

- (a) in accordance with clause 4.5; or
- (b) by giving notice in writing to Tabcorp at any time before 8.00am on the Second Court Date if:
  - (i) Tabcorp is in material breach of any term or warranty of this Agreement; and
  - (ii) Intecq has given Tabcorp a written notice:
    - (1) setting out details of the breach and requiring it to be remedied; and
    - (2) stating its intention to terminate if the breach is not remedied; and
  - (iii) the breach is unable to be remedied or continues on the date which is seven days (or any shorter period ending at 2.30pm on the day before the Second Court Date) from the date the notice is given by Intecq; or
- (c) by giving notice in writing to Tabcorp at any time before 8.00am on the Second Court Date if Intecq or the Intecq Board accepts, approves, recommends or enters into an agreement, understanding or arrangement to implement a Superior Proposal in accordance with clause 10, or if the Intecq Board does not recommend or withdraws

its recommendation of the Scheme in the circumstances set out in clause 7.7(d).

### 11.3 Termination by Tabcorp

This Agreement may be terminated by Tabcorp:

- (a) in accordance with clause 4.5; or
- (b) by giving notice in writing to Intecq at any time before 8.00am on the Second Court Date if:
  - (i) Intecq is in material breach of any of its material obligations under this Agreement; and
  - (ii) Tabcorp has given Intecq a written notice:
    - (1) setting out details of the breach and requiring it to be remedied; and
    - (2) stating its intention to terminate if the breach is not remedied; and
  - (iii) the breach is unable to be remedied or continues on the date which is seven days (or any shorter period ending at 2.30pm on the day before the Second Court Date) from the date the notice is given by Tabcorp;
- (c) without limiting clause 11.3(a), by giving notice in writing to Intecq at any time before 8.00am on the Second Court Date if:
  - (i) Intecq breaches any representation or warranty given under clause 6.1(a); and
  - (ii) Tabcorp has given Intecq a written notice:
    - (1) setting out details of the relevant circumstance giving rise to the breach and requiring it to be remedied; and
    - (2) stating its intention to terminate if the breach is not remedied; and
  - (iii) the breach is unable to be remedied or continues on the date which is seven days (or any shorter period ending at 2.30pm on the day before the Second Court Date) from the date the notice is given by Tabcorp; or
- (d) by giving notice in writing to Intecq at any time before 8.00am on the Second Court Date if:

- (i) at any time any director of Intecq approves, recommends, accepts or enters into any agreement, understanding or arrangement in respect of a Competing Proposal;
- (ii) any director of Intecq fails to recommend the Scheme or withdraws, adversely revises or adversely modifies his or her recommendation that Intecq Shareholders vote in favour of the Scheme or any director of Intecq makes a public statement indicating that he or she no longer recommends the Scheme or recommending, supporting or endorsing another transaction (including a Competing Proposal); or
- (iii) the Scheme Meeting is cancelled except as expressly contemplated by this Agreement or agreed to by Tabcorp in writing.

#### **11.4 Automatic Termination**

This Agreement will terminate automatically without the need for action by any party in the event that:

- (a) the Intecq Shareholders fail to approve the Scheme by the requisite majorities at the Scheme Meeting; or
- (b) the Court refuses to grant the Interim Order and either:
  - (i) the parties fail to agree to conduct an appeal under clause 7.3 within 5 Business Days after the Court's decision; or
  - (ii) the parties agree to lodge an appeal under clause 7.3 but the appeal is unsuccessful.

#### **11.5 Tabcorp Breach of Payment Obligations**

- (a) Tabcorp acknowledges that any breach or threatened breach of clause 5.1(b) may cause Intecq immediate and irreparable harm for which damages alone may not be an adequate remedy.
- (b) Tabcorp agrees that Intecq may commence proceedings to compel specific performance of Tabcorp's obligations under clause 5.1(b).

#### **11.6 Effect of Termination**

If this Agreement is terminated by either Tabcorp or Intecq pursuant to clauses 4.5, 11.1, 11.2 or 11.3 or this Agreement is terminated pursuant to clause 11.4:

- (a) each party will be released from its obligations under this Agreement, except that this clause 11.6 and clauses 1, 9, 13(c), 14, 15, 17, 18 and 19, will survive termination and remain in force;

- (b) each party will retain any accrued rights and remedies, including any rights and remedies it has or may have against the other party in respect of any past breach of this Agreement; and
- (c) in all other respects, all future obligations of the parties under this Agreement will immediately terminate and be of no further force and effect including any further obligations in respect of the Scheme.

## 12. AMENDMENTS

This Agreement, including the Scheme, may be amended by written agreement of the parties at any time before or after the Scheme Meeting, but not later than the Effective Date and any such amendment may, subject to applicable Laws or the Interim Order, without limitation:

- (a) amend the Scheme to the extent that technical amendments are proposed by Scheme Counsel (it being understood that Tabcorp will act in good faith and agree to technical amendments which do not affect the commercial or economic substance of this Agreement);
- (b) change the time for performance of any of the obligations or acts of the parties;
- (c) waive any inaccuracies in or modify any representation contained in this Agreement or any document to be delivered pursuant to this Agreement;
- (d) waive compliance with or modify any of the covenants contained in this Agreement or waive or modify performance of any of the obligations of the parties; and/or
- (e) waive compliance with or modify any condition precedent referred to in clause 4 of this Agreement.

## 13. CONFIDENTIALITY AND PUBLIC DISCLOSURE

- (a) Subject to applicable Laws and to the extent practical and lawful, Intecq and Tabcorp shall consult with each other as to the general nature of any news releases or public statements with respect to this Agreement or the Transaction, and shall use their respective efforts not to issue any news releases or public statements inconsistent with the results of such consultations.
- (b) Subject to applicable Laws and to the extent practical and lawful:
  - (i) each party shall use all reasonable endeavours to enable the other party to review and comment on all such news releases and public statements prior to the release thereof; and
  - (ii) Intecq and Tabcorp shall consult with each other in preparing and making any filings and communications in connection

with any Regulatory Approvals and in seeking any third-party consents contemplated in clause 7.1.

- (c) The parties acknowledge and agree that they continue to be bound by the terms of the Confidentiality Agreement after the date of this Agreement.

## 14. COSTS

Each party shall pay its own costs in relation to:

- (a) the negotiation, preparation, execution, performance, amendment or registration of, or any notice given or made; and
- (b) the performance of any action by that party in compliance with any liability arising,

under this Agreement, or any agreement or document executed or effected under this Agreement, unless this Agreement provides otherwise.

## 15. DUTIES

### 15.1 Payment

Tabcorp must procure that Bidco pays any stamp duty payable in relation to the execution, performance and registration of this Agreement, the Scheme or the Deed Poll.

### 15.2 Indemnity

Tabcorp shall indemnify Intecq against any loss incurred by Intecq in relation to any stamp duty specified in this provision, whether through default by Tabcorp under this provision or otherwise.

## 16. ASSIGNMENT

A party shall not transfer any right or liability under this Agreement without the prior written consent of the other party, except as may arise in accordance with its terms, under any mortgage, charge or encumbrance existing at the date of this Agreement in favour of any ADI (within the meaning of the *Banking Act 1959* (Cth)).

## 17. GST

- (a) Unless otherwise expressly stated, all amounts payable under this Agreement are expressed to be exclusive of GST. If GST is payable on a Taxable Supply made under or in connection with this Agreement, the recipient of the supply must pay the supplier an additional amount equal to the GST payable on that supply provided that the supplier first issues a tax invoice for that supply.
- (b) Without limiting clause 17(a), if an amount payable under this Agreement is calculated by reference to a cost, expense or other

liability incurred by a party, then the amount payable must be reduced by the amount of any Input Tax Credit entitlement in respect of the acquisition of the supply to which that cost, expense or other liability relates. A party will be assumed to be entitled to a full Input Tax Credit unless it demonstrates that its entitlement is otherwise prior to the date on which payment must be made.

- (c) Unless the context requires otherwise, words and expressions used in this clause 17 that have a specific meaning in the *A New Tax System (Goods and Services) Tax Act 1999* (Cth) shall have the same meaning in this clause. The term GST, wherever used in this Agreement, has the meaning given in *A New Tax System (Goods and Services) Tax Act 1999* (Cth).
- (d) This clause 17 will not merge upon completion and will continue to apply after expiration or termination of this Agreement.

## 18. NOTICES

### 18.1 Notification of Particular Events

Each party shall give prompt notice to the other party of:

- (a) the occurrence or failure to occur of any event that causes, or could reasonably be expected to cause, any representation or warranty on its part contained in this Agreement to be untrue or inaccurate; and
- (b) any material breach of its obligations under this Agreement,

provided that no such notification shall affect the representations, warranties, covenants or agreements of the parties or the conditions to the obligations of the parties under this Agreement.

### 18.2 Service Method

Any notice, demand, consent or other communication (a **Notice**) given or made under this Agreement:

- (a) must be in writing and signed by the sender or a person duly authorised by the sender (or in the case of email, set out the full name and position or title of the sender or person duly authorised by the sender);
- (b) must be delivered to the intended recipient by prepaid post (if posted to an address in another country, by registered airmail) or by hand, fax or email to the address, fax number or email address below, or the address, fax number or email address last notified by the intended recipient to the sender:

- (i) **to Tabcorp Holdings Limited:** Attention: The Company Secretary
- Fax No: +61 3 9868 2933
- Address: 5 Bowen Crescent,  
Melbourne VIC 3004
- Email: [Fiona.Mead@tabcorp.com.au](mailto:Fiona.Mead@tabcorp.com.au)
- (ii) **to Intecq Limited:** Attention: Alistair McKeough and Paul Oneile
- Fax No: +61 2 9283 1970
- Address: c/o Whittens & McKeough  
Level 5, 137-139 Bathurst  
Street  
Sydney NSW 2000
- Email: [paul@oneile.com](mailto:paul@oneile.com);  
[amckeough@whittens.com.au](mailto:amckeough@whittens.com.au)
- (c) will be conclusively taken to be duly given or made:
- (i) in the case of delivery in person, when delivered;
- (ii) in the case of delivery by post, seven Business Days after the date of posting;
- (iii) in the case of fax, on receipt by the sender of a transmission control report from the despatching machine showing the relevant number of pages and the correct destination fax number or name of recipient and indicating that the transmission has been made without error; and
- (iv) in the case of email, the earlier of:
- (1) the time that the sender receives an automated message from the intended recipient's information system confirming delivery of the email;
- (2) the time that the email is first opened or read by the intended recipient, or an employee or officer of the intended recipient; and
- (3) two hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives, within that two hour period, an automated message that the email has not been delivered,

but if the result is that a Notice would be taken to be given or made on a day that is not a Business Day in the place specified by the intended recipient as its postal address under clause 18.2(b) or in the case of delivery by hand, post, fax or email at a time that is later than 5pm in the place specified by the intended recipient as its postal address under clause 18.2(b), it will be conclusively taken to have been duly given or made at the start of business on the next Business Day in that place.

## **19. GOVERNING LAW AND JURISDICTION**

### **19.1 Governing Law**

This Agreement shall be governed by and construed under the law of the State of New South Wales.

### **19.2 Jurisdiction**

Any legal action in relation to this Agreement against any party or its property may be brought in any court of competent jurisdiction in the State of New South Wales.

### **19.3 Submission**

Each party by execution of this Agreement irrevocably, generally and unconditionally submits to the non-exclusive jurisdiction of any court specified in this provision in relation to both itself and its property.

## **20. GENERAL PROVISION**

### **20.1 Binding Effect and no third party beneficiary**

This Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns, and nothing in this Agreement is intended to or shall confer on any other person, other than Bidco to the extent set forth in clause 6.1, any third party beneficiary right.

### **20.2 Injunctive Relief**

The parties agree that the remedy at law for any breach of the provisions of this Agreement will be inadequate and that the party that is not in breach, on any application to a court, shall be entitled to temporary and permanent injunctive relief, specific performance and any other equitable relief against the party in breach of the provisions of this Agreement.

### **20.3 Knowledge**

Any statement made by a party on the basis of its knowledge or awareness is made on the basis that the party has, in order to establish that the statement is true and not misleading in any respect:

- (a) made all reasonable enquiries of the officers, employees and other persons who could reasonably be expected to have information relevant to the matters to which the statement relates; and
- (b) where those enquiries would have prompted a reasonable person to make further enquiries, made those further enquiries,

and that, as a result of those further enquiries, the party has no reason to doubt that the statement is true and not misleading in any respect.

#### **20.4 Amendments**

Any amendment of this Agreement shall have no force or effect unless effected by a document executed by the parties.

#### **20.5 Pre-Contractual Negotiation**

This Agreement and the Confidentiality Agreement:

- (a) express and incorporate the entire agreement between the parties in relation to their subject-matter, and all the terms of that agreement; and
- (b) supersede and exclude any prior or collateral negotiation, understanding, communication or agreement by or between the parties in relation to that subject-matter or any term of that agreement.

#### **20.6 Further Assurance**

Each party shall, at the request of the other party, but without further consideration, execute any document and perform any action necessary to give full effect to this Agreement, whether prior or subsequent to performance of this Agreement.

#### **20.7 Continuing Performance**

- (a) The provisions of this Agreement shall not merge with any action performed or document executed by any party for the purposes of performance of this Agreement.
- (b) Any representation in this Agreement shall survive the execution of any document for the purposes of, and continue subsequent to, performance of this Agreement.

#### **20.8 Waivers**

- (a) Each party may waive or consent to the modification of, in whole or in part, any inaccuracy of any representation or warranty made to it under this Agreement or in any document to be delivered pursuant to this Agreement and may waive, or consent to the modification of any of the obligations contained in this Agreement for its benefit or waive

or consent to the modification of any of the obligations of the other party.

- (b) Any waiver or consent to the modification of any of the provisions of this Agreement or any waiver or consent referred to in clause 20.8(a), to be effective, must be in writing executed by the party granting such waiver or consent.
- (c) Any failure or delay by any party to exercise any right under this Agreement shall not operate as a waiver and the single or partial exercise of any right by that party shall not preclude any other or further exercise of that or any other right by that party,

## **20.9 Liability for Breach**

Neither party (**First Party**) shall be liable to the other (**Other Party**) for any indirect or consequential Loss that may be suffered or incurred by the Other Party as a result of any breach of this Agreement by the First Party, howsoever arising, including without limitation loss of profits, loss of chance, increased financing costs, loss of goodwill and business interruption to the extent it constitutes indirect or consequential Loss.

## **20.10 Remedies**

The rights of a party under this Agreement are cumulative and not exclusive of any rights provided by law.

## **20.11 Severability**

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That does not invalidate the remaining provisions of this Agreement nor affect the validity or enforceability of that provision in any other jurisdiction.

## **20.12 Counterparts**

This Agreement may be executed in any number of counterparts (by facsimile or otherwise), all of which taken together shall be deemed to constitute one and the same document.

## SCHEDULE 1 REGULATORY APPROVALS

- 1 The Victorian Commission for Gambling and Liquor Regulation approving:
  - (a) Bidco and Tabcorp; and
  - (b) the directors and company secretaries of Bidco and Tabcorp (and, as applicable, any other relevant executive officers of Tabcorp); and
  - (c) the persons whom Tabcorp proposes be appointed as directors, and as company secretary, of Intecq,becoming associates of Intecq for the purposes of the *Gambling Regulation Act 2003* (Vic).
- 2 The New South Wales Independent Liquor & Gaming Authority approving:
  - (a) the appointment of the persons whom Tabcorp proposes be appointed as directors, and as company secretary, of eBET Gaming Systems Pty Ltd (and, as applicable, any other relevant executive officers of Tabcorp); and
  - (b) the persons whom Tabcorp proposes be appointed as directors, and as company secretary, of Intecq (being a holding company of eBET Gaming Systems Pty Ltd),for the purposes of the *Gaming Machines Act 2001* (NSW) and *Gaming Machines Regulations 2010* (NSW).
- 3 Bidco and Tabcorp being approved as a close associate of eBet Gaming Systems Pty Ltd for the purposes of the *Gaming Machines Act 2001* (NSW).
- 4 The Tasmanian Liquor and Gambling Commission approving:
  - (a) Bidco and Tabcorp;
  - (b) the directors and company secretaries of Bidco and Tabcorp (and, as applicable, any other relevant executive officers of Tabcorp); and
  - (c) the persons whom Tabcorp proposes be appointed as directors, and as company secretary, of eBET Gaming Systems Pty Ltd,becoming associates of eBET Gaming Systems Pty Ltd for the purposes of the *Gaming Control Act 1993* (Tas).
- 5 The Australian Capital Territory Gambling and Racing Commission approving:
  - (a) Bidco and Tabcorp, their respective directors and company secretaries and, as applicable, any other relevant executive officers of Tabcorp, becoming influential persons or influential owners (as applicable) (within the meaning of the *Gaming Machine Act 2004* (ACT)) of eBET Gaming Systems Pty Ltd; and

- 
- (b) the persons whom Tabcorp proposes be appointed as directors, and as company secretary, of eBET Gaming Systems Pty Ltd, becoming influential persons (within the meaning of the *Gaming Machine Act 2004* (ACT)) of eBET Gaming Systems Pty Ltd.
- 6 The Director-General of Licensing in the Northern Territory approving:
- (a) Bidco and Tabcorp;
- (b) the directors and company secretaries of Bidco and Tabcorp (and, as applicable, any other relevant executive officers of Tabcorp); and
- (c) the persons whom Tabcorp proposes be appointed to the board of directors, and as company secretary, of eBET Gaming Systems Pty Ltd, becoming associates of eBET Gaming Systems Pty Ltd for the purposes of the *Gaming Machine Act 2016* (NT).
- 7 The Liquor and Gambling Commissioner in South Australia approving:
- (a) Bidco and Tabcorp, their respective directors and company secretaries and, as applicable, any other relevant executive officers of Tabcorp, assuming a position of responsibility in relation to eBET Gaming Systems Pty Ltd; and
- (b) the persons whom Tabcorp proposes be appointed as directors, and as company secretary, of eBET Gaming Systems Pty Ltd, assuming a position of responsibility in relation to eBET Gaming Systems Pty Ltd, for the purposes of the *Gaming Machines Act 1992* (SA).
- 8 The Commissioner for Liquor and Gaming in Queensland approving:
- (a) Bidco and Tabcorp, their respective directors and company secretaries (and as applicable, any other relevant executive officers of Tabcorp); and
- (b) the persons whom Tabcorp proposes be appointed as directors, and as company secretary, of Odyssey Gaming Services Pty Limited, becoming associates of Odyssey Gaming Services Pty Limited for the purposes of the *Gaming Machine Act 1991* (Qld).

**SCHEDULE 2  
TIMETABLE**

Event	Date
Lodge Intecq Scheme Document with ASIC for review and comment	mid August 2016
First Court Date	first week of September 2016
Lodge Intecq Scheme Document for registration with ASIC	first week of September 2016
Despatch Intecq Scheme Document to Intecq Shareholders	second week of September 2016
Scheme Meeting	second week of October 2016
Second Court Date	mid October 2016
Effective Date – lodge office copy of Court order approving the Scheme with ASIC	mid-late October 2016
Record Date	end of October 2016
Implementation Date	end of October/early November 2016

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**SCHEDULE 3  
INTECQ SECURITIES**

**Part 1 – issued securities of Intecq**

17,634,492 fully paid ordinary shares in Intecq

**Part 2 – rights and other securities of Intecq to be issued**

**(a) Employee Incentive Shares**

- (i) 89,195 Intecq Shares, being shares to be issued to certain employees in respect of the Financial Year ended 30 June 2015, which are to be issued prior to the Second Court Date.
- (ii) Up to 150,000 Intecq Shares in aggregate to be issued to the following Employees pursuant to their Employment Agreement (as amended) with Intecq and the trust deed of Intecq's Executive Share Trust dated 29 July 2010:
  - Tony Toohey;
  - Peter Walford;
  - Robert Fredericks; and
  - Mark Anderson,

which are to be issued prior to the Second Court Date.

**(b) Idol Shares**

39,117 Intecq Shares to be issued to the sellers (as defined in the Idol SPA) pursuant to the sellers' right of election under the Idol SPA.

## **SCHEDULE 4 REPRESENTATIONS AND WARRANTIES OF INTECQ**

In this Schedule 4, a reference to "Intecq Group" is a reference to each entity within the Intecq Group as well as a reference to all entities within the Intecq Group.

Subject to:

- (a) in the case of the representations and warranties contained in this Schedule 4 other than the representations and warranties contained in clause 2 of this Schedule 4, any full and fair disclosure to the contrary in the Disclosure Materials; and
- (b) in the case of the representations and warranties contained in clause 2 of this Schedule 4, any full and fair disclosure to the contrary in the Disclosure Letter,

Intecq represents and warrants to Tabcorp (in its own right and separately as trustee or nominee for Bidco) as follows:

### **1. Corporate Structure, Due Incorporation and Corporate Power**

- 1.1 Intecq is a corporation duly incorporated or established, and validly existing under the laws of the jurisdiction in which it was incorporated and has the requisite legal power and authority to own its assets and conduct its business activities as currently owned and conducted.
- 1.2 Each member of the Intecq Group has procured all material licences, consents and approvals required for its respective business in each jurisdiction in which it operates.
- 1.3 Intecq has made available a complete and correct copy of its constitution for review by Tabcorp, as amended to the date of this Agreement.
- 1.4 Intecq is not in violation of any material provision of its constitution.

### **2. Intecq Securities and Options**

- 2.1 The issued securities of Intecq are as set out in Part 1 of Schedule 3.
- 2.2 All securities issued by Intecq have been validly issued and are fully paid.
- 2.3 Except as set out in Part 2 of Schedule 3, Intecq is not under any liability to issue or allot, nor has it granted any person any right or Option to require or call for the issue or allotment of, any securities.
- 2.4 There are no bonds, debentures, notes or other indebtedness of Intecq conferring the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matters on which shareholders of Intecq must vote on issue.
- 2.5 Except as set out in Part 2 of Schedule 3, Intecq does not have, and each other Intecq Group Member does not have, any outstanding Options,

performance rights, convertible notes or other securities convertible or exchangeable into Intecq Shares or shares in any Intecq Group Member, or offers or agreements to issue any of the foregoing.

- 2.6 As at the date of this Agreement, Intecq does not have any outstanding contractual obligations or other requirements to repurchase, redeem or otherwise acquire any of its own securities, or provide funds to or make any investment (in the form of a loan, capital contribution or otherwise) in any other person.
- 2.7 Any company, partnership, trust, joint venture or other enterprise in which Intecq or a member of the Intecq Group owns or has a material interest in is as notified in writing by Intecq to Tabcorp prior to entry into this Agreement.

### **3. Authority; Non-Contravention**

- 3.1 Intecq has all requisite power and authority to enter into this Agreement and to perform its obligations under this Agreement, including consummating the Transaction.
- 3.2 The execution and delivery of this Agreement by Intecq and the performance by Intecq of its obligations under this Agreement, including consummation of the Transaction, have been duly authorised by all necessary corporate action on the part of Intecq.
- 3.3 This Agreement has been duly executed and delivered by Intecq and constitutes a valid and binding obligation of Intecq, enforceable by Tabcorp against Intecq in accordance with its terms, subject to the availability of equitable remedies and the enforcement of creditors' rights generally.
- 3.4 The execution and delivery of this Agreement does not, and the consummation of the Transaction and compliance with the provisions of this Agreement will not, contravene, or result in the imposition of any additional obligation under, or result in the creation of any security or other encumbrance upon any of the properties or assets of Intecq under:
- (a) its constitution; or
  - (b) its Material Contracts; or
  - (c) any Law applicable to any Intecq Group Member or its property or assets.
- 3.5 No consent, approval, order or authorisation of, or registration, declaration or filing with, any Agency, is required by or with respect to Intecq in connection with the execution and delivery of this Agreement by Intecq or the consummation by Intecq of the Transaction, except for:
- (a) the filing with the applicable Agencies of the Intecq Scheme Document and related documents;
  - (b) the purposes of and in connection with obtaining any Regulatory Approval;

- (c) any approvals required by the Interim Order and the Final Order; and
  - (d) filings with ASIC under the Corporations Act.
- 3.6 The Intecq Group possesses all required material Permits and:
- (a) all such material Permits are validly held by the Intecq Group, and the Intecq Group has complied in all respects with all terms and conditions thereof;
  - (b) none of such material Permits will be subject to suspension, modification, revocation or non-renewal as a result of the execution and delivery of this Agreement or the consummation of the Transaction; and
  - (c) since 1 January 2015, the Intecq Group has not received any written notice, notice of violation or probable violation, notice of revocation or other written communication from or on behalf of any Agency, alleging:
    - (i) any violation of such material Permit; or
    - (ii) that the Intecq Group requires any additional material Permit.
- 3.7 No member of the Intecq Group possesses any gaming or other gambling related Permit in a jurisdiction outside of Australia.
- 3.8 So far as Intecq is aware, after due and diligent inquiry, there is no breach by any member of the Intecq Group of any Australian Law or foreign Law in jurisdictions in which Intecq or any member of the Intecq Group operates that, alone or together with any other breaches of Law, has or could reasonably be expected to have the effect of causing:
- (a) any Material Contract to be terminable or terminated;
  - (b) any member of the Intecq Group being restricted in doing business in any jurisdiction or with any customer or supplier, or being subject to criminal liability or any other sanction or liability; or
  - (c) any Materially Adverse effect on Intecq.
- 3.9 Neither ASIC nor ASX (as applicable) has made a determination against a member of the Intecq Group for any contravention of the requirements of the Corporations Act or the ASX Listing Rules, or any rules, regulations or regulatory guides under the Corporations Act or the ASX Listing Rules.
- 3.10 So far as Intecq is aware, no member of the Intecq Group or any of its respective officers, directors, employees, agents or representatives has, directly or indirectly, in connection with the business of the Intecq Group:
- (a) made, offered or promised to make or offer any unlawful payment, loan or transfer of anything of value to or for the benefit of any

government official, candidate for public office, political party or political campaign;

- (b) paid, offered or promised to make or offer any bribe, payoff, influence payment, kickback, unlawful rebate or other similar unlawful payment of any nature;
- (c) made, offered or promised to make or offer any unlawful contributions, gifts, entertainment or other unlawful expenditures;
- (d) established or maintained any unlawful fund of corporate monies or other properties;
- (e) created or caused the creation of any false or inaccurate books and records of the Intecq Group or any of its members related to any of the foregoing; or
- (f) otherwise violated any provision of the Foreign Corrupt Practices Act of 1977 (U.S), the UK Bribery Act of 2010, or any other applicable anti-corruption or anti-bribery law.

3.11 So far as Intecq is aware, the operations of the Intecq Group have been conducted at all times in material compliance with applicable financial recordkeeping and reporting requirements and the anti-money laundering statutes and the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any Agency having jurisdiction over the Intecq Group (collectively the **Anti-Money Laundering Laws**) and no action, suit or proceeding by or before any court or Agency, authority or body or any arbitrator involving a member of the Intecq Group with respect to the Anti-Money Laundering Laws is to the best of the knowledge of Intecq threatened or pending.

#### 4. Continuous Disclosure

As at the date of this Agreement, the First Court Date, the date the Intecq Scheme Document is dispatched, the date of the Scheme Meeting and the Second Court Date, Intecq has complied in all material respects with its continuous disclosure obligations under ASX Listing Rule 3.1 and there is no information that Intecq is withholding from the market pursuant to a carve-out under ASX Listing Rule 3.1 (other than as disclosed to Tabcorp in writing on or before the date of this Agreement or, prior to the date of this Agreement, in relation to the Transaction).

#### 5. Intecq Scheme Document

- (a) At the date the Intecq Scheme Document is despatched to Intecq Shareholders, the information contained in the Intecq Scheme Document is true and correct in all material respects, complies with all applicable Laws and does not contain any statement which is misleading or deceptive in any material respect (with any statement of belief being formed on a reasonable basis), whether by omission or otherwise.

- (b) The Intecq Provided Information contained in the Intecq Scheme Document:
  - (i) will be prepared and included in the Intecq Scheme Document in good faith; and
  - (ii) will comply in all material respects with the requirements of the Corporations Act, Listing Rules and relevant ASIC regulatory guides.
- (c) The information provided by Intecq to the Independent Expert, as at the date that information is provided, has been provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing its report for inclusion in the Intecq Scheme Document.

## 6. Disclosure

- (a) Intecq is not aware of any information (having made reasonable enquiries) regarding any event or circumstance relating to a member of the Intecq Group or its respective business or operations, or any action taken or failed to be taken by any member of Intecq Group, that is Materially Adverse to Intecq.
- (b) So far as Intecq is aware, there has not been any event, change, effect or development that would require Intecq to restate its financial statements as disclosed to ASX.

## 7. Restrictions on Business Activities

There is no agreement, judgment, injunction, order or decree binding upon the Intecq Group that has, or could reasonably be expected to have, the effect of prohibiting, restricting or impairing any business or activity of the Intecq Group, any acquisition of property or assets by the Intecq Group or the conduct of business by the Intecq Group as currently conducted (including after the consummation of the Transaction) other than such agreements, judgments, injunctions, orders or decrees which are not, individually or in aggregate, Materially Adverse to Intecq.

## 8. Title

- 8.1 The Intecq Group is in exclusive possession, occupation and quiet enjoyment of all Properties.
- 8.2 With respect to any Properties that are leased by the Intecq Group:
  - (a) the Intecq Group has not received any notice of default of any of the terms or provisions of the leases applicable thereto;
  - (b) the execution, delivery and performance of this Agreement by Intecq, and the consummation of the Transaction, will not cause a default or termination, or give rise to the right of termination, or rights of first refusal or other pre-emptive rights under any of the leases;

- (c) the leases are valid and are in good standing; and
- (d) Intecq has no knowledge of any act or omission or any condition on such properties which could be considered or construed as a default under any of the leases.

8.3 There are no pending or, to Intecq's knowledge, threatened suits, claims, actions, proceedings or investigations in respect of any Properties (whether leased or owned by the Intecq Group).

## **9. Intellectual Property**

9.1 Intecq or a member of the Intecq Group owns all right, title and interest in all registrations and applications for registration for all material intellectual property owned or purported to be owned by the Intecq Group (with the exception of Australian patents that are jointly owned with other persons) and the Intecq Group has used all such intellectual property in a manner sufficient to maintain all such registrations.

9.2 Intecq or a member of the Intecq Group is the sole and exclusive legal and beneficial owner of, or has valid and continuing rights to use, all material intellectual property rights (whether or not registered or registrable) and technology used in the conduct of the business of the Intecq Group as conducted at the date of this Agreement and as proposed by the Intecq Group as at the date of this Agreement to be conducted in the future.

9.3 All the intellectual property rights owned by or licensed to the Intecq Group are valid, enforceable, subsisting, free and clear of all liens and encumbrances and include all of the intellectual property and technology rights necessary and sufficient to enable the Intecq Group to conduct its business as conducted at the date of this Agreement and as proposed by the Intecq Group as at the date of this Agreement to be conducted in the future.

9.4 To Intecq's knowledge, the business of the Intecq Group as conducted as at the date of this Agreement does not infringe, constitute an unauthorised use of, misappropriate or otherwise violate any intellectual property rights or other right of any person or contravene any law.

9.5 No member of the Intecq Group is the subject of any pending or, to Intecq's knowledge, threatened legal proceedings which involve:

- (a) a material claim that the business of the Intecq Group infringes, constitutes an unauthorised use of, misappropriates or otherwise violates any intellectual property rights or other rights of any person or contravenes any law; or
- (b) a challenge to the ownership, use, validity or enforceability of any intellectual property owned, purported to be owned or licensed by any member of the Intecq Group.

9.6 As at the date of this Agreement, to Intecq's knowledge, no person has infringed or is infringing any of the intellectual property owned or licensed by the Intecq Group. The Intecq Group has taken reasonably adequate security

measures to protect the secrecy, confidentiality and value of all material trade secrets, know-how and any material other non-public, proprietary information, which measures are commercially reasonable in the industry in which the Intecq Group operates.

**10. Litigation**

- 10.1 There is no suit, action or proceeding pending or, to the knowledge of Intecq, threatened against the Intecq Group that, individually or in aggregate, if adversely determined, would reasonably be expected to have a Materially Adverse effect on Intecq.
- 10.2 There is no judgment, decree, injunction, rule or order of any Agency or arbitrator outstanding against a member of the Intecq Group, or the assets, properties or business of any member of the Intecq Group, having, or which would reasonably be expected to have, any Materially Adverse effect on Intecq.
- 10.3 As of the date of this Agreement, there is no suit, action, proceeding pending or, to the knowledge of Intecq, threatened, against the Intecq Group that, individually or in aggregate, if adversely determined, would reasonably be expected to prevent or delay in any material respect the consummation of the Transaction.

**11. No Insolvency Event**

No Intecq Group entity is affected by or is the subject of an Insolvency Event.

## SCHEDULE 5 REPRESENTATIONS AND WARRANTIES OF TABCORP

Tabcorp represents and warrants to Intecq as follows:

### 1. Due Incorporation

- 1.1 Tabcorp is a corporation duly incorporated or established, and validly existing under the laws of the jurisdiction in which it was incorporated.

### 2. Authority; Non-Contravention

- 2.1 Tabcorp has all requisite power and authority to enter into this Agreement and to perform its obligations under this Agreement, including consummating the Transaction.

- 2.2 The execution and delivery of this Agreement by Tabcorp and the performance by Tabcorp of its obligations under this Agreement, including consummation of the Transaction, have been duly authorised by all necessary corporate action on the part of Tabcorp.

- 2.3 This Agreement has been duly executed and delivered by Tabcorp and constitutes a valid and binding obligation of Tabcorp, enforceable by Intecq against Tabcorp in accordance with its terms, subject to the availability of equitable remedies and the enforcement of creditors' rights generally.

- 2.4 The execution and delivery of this Agreement does not, and the consummation of the Transaction and compliance with the provisions of this Agreement will not, contravene, or result in the imposition of any additional obligation under, or result in the creation of any security or other encumbrance upon any of the properties or assets of Tabcorp under:

- (a) its constitution; or
- (b) any Law applicable to Tabcorp or its property or assets.

- 2.5 Other than any Regulatory Approval or as contemplated by clause 4.1 of this Agreement, no consent, approval, order or authorisation of, or registration, declaration or filing with, any Agency, is required by or with respect to Tabcorp in connection with the execution and delivery of this Agreement by Tabcorp or the consummation by Tabcorp of the Transaction, except for:

- (a) any approvals required by the Interim Order and the Final Order; and
- (b) filings with ASIC under the Corporations Act.

### 3. Tabcorp Provided Information

- 3.1 The Tabcorp Provided Information provided to Intecq for inclusion in the Intecq Scheme Document will be provided in good faith and will comply in all material respects with the requirements of the Corporations Act, Corporations Regulations, Listing Rules and relevant AISC regulatory guides.

3.2 All information provided by Tabcorp to the Independent Expert, as at the date that information is provided, will be provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing its report for inclusion in the Intecq Scheme Document.

3.3 The Tabcorp Provided Information, as at the date it is provided to Intecq for inclusion in the Intecq Scheme Document, will not contain any statement which is materially misleading or deceptive in any material respect (with any statement of belief formed on a reasonable basis), whether by omission or otherwise.

#### **4. Bidco**

Bidco is a wholly-owned Subsidiary of Tabcorp.

#### **5. Sufficient Funding**

5.1 By 8:00am on the Second Court Date, Tabcorp will ensure that Bidco has available to it on an unconditional basis (except conditions under the control of Tabcorp or Bidco, or conditions relating to, or which will cease to apply or will be satisfied following, Court approval):

- (a) sufficient cash reserves; or
- (b) funds available to be drawn under committed finance facilities (subject to the satisfaction or waiver of conditions precedent to drawdown customary for committed finance facilities made available to Tabcorp, including conditions dealing with representations and warranties in the committed finance facilities being true and no events of default subsisting under the committed finance facilities),

to satisfy Bidco's obligation to pay the Scheme Consideration in accordance with the Scheme and the Deed Poll.

5.2 Tabcorp will ensure that Bidco, by the day before the Implementation Date, has available to it sufficient cash amounts to satisfy Bidco's obligation to provide the Scheme Consideration (less any Withheld Tax Amounts) in accordance with the Scheme and the Deed Poll.

#### **6. Regulatory Approvals**

6.1 To the best of Tabcorp's knowledge and belief as at the date of this Agreement, the Regulatory Approvals set out in Schedule 1 are all of the Regulatory Approvals required to satisfy the Condition Precedent set out in clause 4.1(a)(ii).

6.2 To the best of Tabcorp's knowledge and belief, as at the date of this Agreement:

- (a) there are no facts or circumstances concerning any member of the Tabcorp Group or any of their current or former directors, officers or employees which would prevent any of the Regulatory Approvals from being obtained; and

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- (b) there are no facts or circumstances that would adversely affect any Regulatory Approval required by Tabcorp to carry on its business.

**SCHEDULE 6  
SCHEME**

# **Scheme of arrangement**

Intecq Limited (ABN 59 056 210 774)

and

Scheme Shareholders

## Scheme of arrangement

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

Between

**Intecq**                      **Intecq Limited (ABN 59 056 210 774)** of Unit 13, 112-118 Talavera Road, North Ryde, New South Wales 2113

(Intecq)

**Scheme Shareholders**                      Each person who is registered as the holder of Intecq Shares recorded in the Share Register as at the Scheme Record Date (each a **Scheme Shareholder**, together the **Scheme Shareholders**)

## RECITALS

- (A) Intecq is a public company limited by shares, incorporated in Australia and registered in New South Wales, and is admitted to the official list of the ASX.
- (B) As at the date of the Implementation Agreement, there were on issue 17,634,492 Intecq Shares, which are officially quoted on the stock market conducted by ASX.
- (C) Tabcorp is a public company limited by shares, incorporated in Australia and registered in Victoria. Tabcorp is admitted to the official list of the ASX and its shares are officially quoted on the stock market conducted by ASX.
- (D) Bidco is a company incorporated in Australia and is a company limited by shares.
- (E) If this Scheme becomes Effective:
  - (i) Bidco must provide, and Tabcorp must procure that Bidco provides, the Scheme Consideration to the Scheme Shareholders in accordance with the terms of this Scheme and the Deed Poll;
  - (ii) all of the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, must be transferred to Bidco and Intecq will enter the name of Bidco in the Share Register in respect of the Scheme Shares; and
  - (iii) it will bind Intecq and all 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.

- (F) Intecq and Tabcorp have agreed, subject to the terms and conditions set out in the Implementation Agreement, to implement this Scheme.
- (G) Tabcorp and Bidco have agreed, by executing the Deed Poll, to perform the actions attributed to them under this Scheme, including Bidco providing and Tabcorp procuring that Bidco provides the Scheme Consideration to the Scheme Shareholders subject to the terms of the Deed Poll.

## 1. Definitions and interpretation

### 1.1 Definitions

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

<b>Term</b>	<b>Meaning</b>
<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market that it operates.
<b>Bidco</b>	[*] (ABN [*]).
<b>Business Day</b>	has the meaning given to that expression in the Listing Rules.
<b>CHESS</b>	the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited (ABN 49 008 504 532).
<b>Corporations Act</b>	the <i>Corporations Act 2001</i> (Cth).
<b>Court</b>	the Supreme Court of New South Wales or such other court of competent jurisdiction under the Corporations Act agreed to in writing by Intecq and Tabcorp.
<b>Deed Poll</b>	the deed poll dated [*] executed by Tabcorp and Bidco under which each of Tabcorp and Bidco has covenanted in favour of the Scheme Shareholders to perform the obligations attributed to it 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>Government Agency</b>	any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, including a stock or other securities exchange, or any minister of the Crown in right of the Commonwealth of Australia or any State or Territory, or any other federal, state, territorial, provincial, local or other government, whether foreign or Australian.
<b>Implementation Date</b>	the fifth Business Day after the Scheme Record Date, or such other date as agreed in writing by Intecq and Tabcorp.
<b>Implementation Agreement</b>	the scheme implementation agreement dated [**] between Intecq and Tabcorp relating to the implementation of this Scheme.
<b>Intecq Registry</b>	Computershare Investor Services Pty Ltd (ABN 48 078 279 277) of Level 3, 60 Carrington Street, Sydney NSW 2000, or any replacement share registry services provider to Intecq.
<b>Intecq Share</b>	a fully paid ordinary share in the capital of Intecq.
<b>Intecq Shareholder</b>	a person who is registered as the holder of an Intecq Share in the Share Register.
<b>Listing Rules</b>	the official listing rules of ASX.
<b>Registered Address</b>	in relation to an Intecq Shareholder, its address shown in the Share Register as at the Scheme Record Date.
<b>Scheme</b>	this scheme of arrangement under Part 5.1 of the Corporations Act between Intecq and the Scheme Shareholders in respect of all Scheme Shares, subject to any alterations or conditions as agreed between Tabcorp and Intecq in writing or made or required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Intecq and Tabcorp.
<b>Scheme Consideration</b>	for each Scheme Share held by a Scheme Shareholder as at the Scheme Record Date, an amount equal to \$7.15.
<b>Scheme Meeting</b>	the meeting of Intecq Shareholders ordered by the Court to be convened under subsection 411(1) of the Corporations Act in relation to this Scheme and

	includes any adjournment or postponement of that meeting.
<b>Scheme Record Date</b>	7:00pm (Sydney time) on the fifth Business Day after the Effective Date or such other time and date agreed in writing by Intecq and Tabcorp.
<b>Scheme Share</b>	an Intecq Share on issue as at the Scheme Record Date.
<b>Scheme Shareholder</b>	each person who is registered on the Share Register as a holder of Scheme Shares as at the Scheme Record Date.
<b>Scheme Transfer</b>	for each Scheme Shareholder, one or more proper instruments of transfer in respect of their Scheme Shares for the purposes of section 1071B of the Corporations Act, in favour of Bidco as transferee, which may be or include a master transfer of all or part of all 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>Share Register</b>	the register of members of Intecq maintained by Intecq or the Intecq Registry in accordance with section 168(1) of the Corporations Act.
<b>Subsidiary</b>	has the meaning given to that term in the Corporations Act.
<b>Sunset Date</b>	31 December 2016, or such later date as may be agreed in writing by Tabcorp and Intecq.
<b>Tabcorp</b>	Tabcorp Holdings Limited (ABN 66 063 780 709).
<b>Tabcorp Group</b>	Tabcorp and its Subsidiaries (and a reference to the "Tabcorp Group" is a reference to each entity within the Tabcorp Group as well as a reference to all such entities).
<b>Taxes</b>	with respect to a person, all income taxes (including any tax on or based upon net income, gross income, income as specially defined, earnings profits or selected items of income, earnings or profits) and all capital taxes, gross receipts taxes, environmental taxes, sales taxes, use taxes, ad valorem taxes,

value added taxes, transfer taxes, franchise taxes, license taxes, withholding taxes or other withholding obligations, payroll taxes, employment taxes, pension plan premiums, excise, severance, social security premiums, workers' compensation premiums, unemployment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, property taxes, windfall profits taxes, alternative or add on minimum taxes, goods and services tax, customs duties or other taxes of any kind whatsoever, together with any interest and any penalties or additional amounts imposed by any taxing authority (domestic or foreign) on such person or for which such person is responsible, and any interest, penalties, additional taxes, additions to tax or other amounts imposed with respect to the foregoing.

**Withheld Tax Amounts** any such amount of Taxes which the Australian Taxation Office requires any member of the Tabcorp Group, by written notice(s) pursuant to section 255 of the *Income Tax Assessment Act 1936* (Cth) which is or are received by any member of the Tabcorp Group before 9.00am on the Business Day before the Implementation Date, to pay to the Australian Taxation Office in respect of any Scheme Shareholder.

## 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) mentioning anything after includes, including, for example, or similar expressions, does not limit what else might be included; and
- (c) the following rules apply unless the context requires otherwise:
  - (i) the singular includes the plural and the plural includes the singular;
  - (ii) words of any gender include all genders;
  - (iii) other parts of speech and grammatical forms of a word or phrase defined in this Scheme have a corresponding meaning;
  - (iv) a reference to a person includes any corporation, trust, partnership, unincorporated body or other entity and any

Government Agency (whether or not it comprises a separate legal entity) as well as an individual;

- (v) a reference to a clause, party, part, schedule, attachment or exhibit is a reference to a clause or part of, and a party, schedule, attachment or exhibit to, this Scheme;
- (vi) a reference to any legislation or to a provision of legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them;
- (vii) a reference to an agreement or document (including this Scheme) includes all amendments or supplements to, or replacements or novations of, that agreement or document, except to the extent prohibited by this document or that other agreement or document;
- (viii) a reference to writing includes any method of representing or reproducing words, figures, drawings, or symbols in a visible and tangible form;
- (ix) a reference to '\$', 'A\$' or 'dollar' is to Australian currency;
- (x) a reference to any time is a reference to that time in Sydney, Australia;
- (xi) a word or expression defined in or for the purposes of the Corporations Act has the same meaning when used in this Scheme;
- (xii) a reference to a party to a document includes that party's executors, administrators, successors, permitted substitutes and permitted assigns (and, where applicable, the person's legal representatives);
- (xiii) 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; and
- (xiv) a reference to a body, other than a party to this Scheme (including an institute, association or authority), whether statutory or not:
  - (A) which ceases to exist; or
  - (B) 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.

### **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.

## **2. Conditions Precedent**

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### **2.1 Conditions precedent to this Scheme**

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

- (a) all the conditions precedent in clause 4.1 of the Implementation Agreement (other than the condition precedent in clause 4.1(d) of the Implementation Agreement) having been satisfied or waived in accordance with the terms of the Implementation Agreement by 8.00am on the Second Court Date or such other time specified in that condition precedent;
- (b) neither the Implementation Agreement 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 in writing by Tabcorp and Intecq;
- (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 Tabcorp and Intecq 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 Sunset Date.

### **2.2 Certificate**

- (a) Each of Intecq and Tabcorp will provide to the Court on or before 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 the conditions precedent in clauses 2.1(a) and 2.1(b) have been satisfied or waived as at 8.00am on the Second Court Date.
- (b) The certificates referred to in clause 2.2(a) constitute conclusive evidence that the relevant conditions precedent were satisfied, waived or taken to be waived.

### **2.3 Sunset 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 Sunset Date; or
- (b) the Implementation Agreement or the Deed Poll is terminated in accordance with its terms, unless Intecq and Tabcorp otherwise agree in writing.

## **3. The Scheme**

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

Intecq 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, and in any event by 5:00pm on the first Business Day after the day on which the Court approves this Scheme.

### **3.2 Transfer of Scheme Shares**

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 4.2(a) and Bidco having provided Intecq with written confirmation of that having occurred, the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, must be transferred to Bidco, without the need for any further act by any Scheme Shareholder (other than acts performed by Intecq or any of its directors, officers and secretaries as attorney and agent for Scheme Shareholders under clause 7.5), by:
  - (i) Intecq delivering to Bidco a duly completed Scheme Transfer, executed on behalf of the Scheme Shareholders by Intecq, to transfer all the Scheme Shares to Bidco; and
  - (ii) Bidco duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering it to Intecq for registration; and
- (b) immediately following receipt of the Scheme Transfer in accordance with clause 3.2(a)(ii), but subject to the stamping of the Scheme Transfer (if required), Intecq must enter, or procure the entry of, the name of Bidco in the Share Register in respect of all the Scheme Shares transferred to Bidco in accordance with this Scheme.

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## **4. Scheme Consideration**

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### **4.1 Entitlement to Scheme Consideration**

Subject to the terms and conditions of this Scheme, each Scheme Shareholder will be entitled to receive the Scheme Consideration in respect of each of their Scheme Shares.

### **4.2 Provision of Scheme Consideration**

- (a) Bidco must, and Tabcorp must procure that Bidco does, by no later than the Business Day before the Implementation Date, deposit in cleared funds an amount equal to the aggregate amount of the Scheme Consideration payable to the Scheme Shareholders (less any Withheld Tax Amounts) in an Australian dollar denominated trust account operated by Intecq as trustee for the Scheme Shareholders and notified to Bidco and Tabcorp at least 3 Business Days prior to the Implementation Date (provided that any interest on the amounts deposited (less bank fees and other charges) will be credited to Bidco's account).
- (b) On the Implementation Date, subject to funds having been deposited in accordance with clause 4.2(a), Intecq must pay or procure the payment, from the trust account referred to in clause 4.2(a), to each Scheme Shareholder the Scheme Consideration to which that Scheme Shareholder is entitled under this clause 4 less any Withheld Tax Amounts in respect of that Scheme Shareholder.
- (c) The obligations of Intecq under clause 4.2(b) will be satisfied by Intecq (in its absolute discretion):
  - (i) where a Scheme Shareholder has, before the Scheme Record Date, made a valid election in accordance with the requirements of the Intecq Registry to receive dividend payments from Intecq 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; or
  - (ii) otherwise, whether or not the Scheme Shareholder has made an election referred to in clause 4.2(c)(i), 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, 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 4.3).
- (d) To the extent that, following satisfaction of Intecq's obligations under clause 4.2(b), there is a surplus in the amount held by Intecq as

trustee for the Scheme Shareholders in the trust account referred to in that clause, that surplus shall be paid by Intecq to Bidco.

#### 4.3 Joint holders

In the case of Scheme Shares held in joint names:

- (a) the Scheme Consideration (less any Withheld Tax Amounts) is payable to the joint holders of such Scheme Shares and any cheque required to be sent under this Scheme will be made payable to those joint holders and sent to either, at the sole discretion of Intecq, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders; and
- (b) any other document required to be sent under this Scheme, will be forwarded to either, at the sole discretion of Intecq, the holder whose name appears first in the Share Register as at the Scheme Record Date or to the joint holders.

#### 4.4 Unclaimed monies

- (a) Intecq may cancel a cheque issued under this clause 4 if the cheque:
  - (i) is returned to Intecq; or
  - (ii) has not been presented for payment within six months after the date on which the cheque was sent.
- (b) During the period of one year commencing on the Implementation Date, on request in writing from a Scheme Shareholder to Intecq (or the Intecq Registry) (which request may not be made until the date which is 20 Business Days after the Implementation Date), Intecq must reissue a cheque that was previously cancelled under clause 4.4(a).
- (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)*).

#### 4.5 Orders of a court or Government Agency

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

- (a) requires payment to a third party of a sum in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable to that Scheme Shareholder by Intecq in accordance with this clause 4, then Intecq will be entitled to make that payment (or procure that it is made) in accordance with that order or direction; or

- (b) prevents Intecq from making a payment to any particular Scheme Shareholder in accordance with clauses 4.2(b) and 4.2(c), or the payment is otherwise prohibited by applicable law, Intecq will be entitled to retain an amount, in Australian dollars, equal to the amount of the relevant payment until such time as payment in accordance with this clause 4 is permitted by that order or direction or otherwise by law.

## **5. Dealings in Intecq Shares**

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### **5.1 Determination of Scheme Shareholders**

For the purposes of determining who is a Scheme Shareholder, dealings in Intecq Shares or other alterations to the Share Register will only be recognised if:

- (a) in the case of dealings of the type effected using CHES, the transferee is registered in the Share Register as the holder of the relevant Intecq Shares on or before the Scheme Record Date; and
- (b) in all other cases, share transfer forms in registrable form or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received by 5:00pm on the Scheme Record Date at the place where the Share Register is kept,

and Intecq must not accept for registration, nor recognise for any purpose, 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, other than a transfer to Bidco in accordance with this Scheme and any subsequent transfer by Bidco or its successors in title.

### **5.2 Register**

- (a) Intecq must register any registrable transfers or transmission applications received in accordance with clause 5.1(b) by the Scheme Record Date.
- (b) If this Scheme becomes Effective, each Scheme Shareholder, and any person claiming through that Scheme Shareholder, must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them after the Scheme Record Date, and any attempt to do so will have no effect and Intecq shall be entitled to disregard any such disposal, purported disposal or agreement.
- (c) For the purpose of determining entitlements to the Scheme Consideration, Intecq must maintain, or cause the Intecq Registry to maintain, the Share Register in accordance with the provisions of this clause 5.2 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 Intecq Shares (other than statements of holding in favour of Bidco and any of its successors in title) 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 Bidco) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of Intecq Shares relating to that entry.
- (e) As soon as possible on or after the Scheme Record Date, and in any event within one Business Day after the Scheme Record Date, Intecq will ensure that details of the names, Registered Addresses and holdings of Intecq Shares for each Scheme Shareholder as shown in the Share Register are available to Bidco in the form that Bidco reasonably requires.

## **6. Quotation of Intecq Shares**

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

## **7. General Scheme provisions**

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### **7.1 Consent to amendments to this Scheme**

If the Court proposes to approve this Scheme subject to any alterations or conditions under section 411(6) of the Corporations Act:

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

## 7.2 Scheme Shareholders' agreements and warranties

- (a) Each Scheme Shareholder:
- (i) agrees to the transfer of their Intecq Shares together with all rights and entitlements attaching to those Intecq Shares in accordance with this Scheme;
  - (ii) agrees to the variation, cancellation or modification of the rights attached to their Intecq Shares constituted by or resulting from this Scheme;
  - (iii) acknowledges that this Scheme binds Intecq and all 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
  - (iv) consents to Intecq and Bidco doing all things and executing all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to this Scheme and the transactions contemplated by it.
- (b) Each Scheme Shareholder is taken to have warranted to Intecq and Bidco on the Implementation Date, and appointed and authorised Intecq as its attorney and agent to warrant to Bidco on the Implementation Date, that all their Intecq 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 Intecq Shares to Bidco together with any rights and entitlements attaching to those shares. Intecq undertakes that it will provide such warranty to Bidco as agent and attorney of each Scheme Shareholder.

## 7.3 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 Bidco will, at the time of transfer of them to Bidco, vest in Bidco 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 4, Bidco will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by Intecq of Bidco in the Share Register as the holder of the Scheme Shares.

#### **7.4 Appointment of sole proxy**

Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder in the manner contemplated by clause 4, and until Intecq registers Bidco as the holder of all Scheme Shares in the Share Register, each Scheme Shareholder:

- (a) is deemed to have appointed Bidco as attorney and agent (and directed Bidco in each such capacity) to appoint any director, officer, secretary or agent nominated by Bidco as its sole proxy and, where applicable or appropriate, its corporate representative to attend shareholders' meetings of Intecq, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution of Intecq;
- (b) 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 7.4(a));
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as Bidco reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 7.4(a), Bidco and any director, officer, secretary or agent nominated by Bidco under clause 7.4(a) may act in the best interests of Bidco as the intended registered holder of the Scheme Shares.

#### **7.5 Authority given to Intecq**

Each Scheme Shareholder, without the need for any further act, on the Effective Date irrevocably appoints Intecq and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of:

- (a) enforcing the Deed Poll against Tabcorp and Bidco, and Intecq undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against Tabcorp and Bidco on behalf of and as agent and attorney for each Scheme Shareholder; and
- (b) 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 the Scheme Transfer,

and Intecq accepts each such appointment. Intecq as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 7.5 to all or any of its directors, officers, secretaries or employees (jointly, severally or jointly and severally).

## **7.6 Binding effect of Scheme**

This Scheme binds Intecq 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 Intecq.

## **8. General**

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### **8.1 Stamp duty**

Bidco will, and Tabcorp must procure that Bidco will:

- (a) pay 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 8.1(a).

### **8.2 Consent**

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

### **8.3 Notices**

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Intecq, 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 Intecq's registered office or at the office of the Intecq Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by an Intecq Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

### **8.4 Governing law**

- (a) This Scheme is governed by the laws in force in New South Wales, Australia.

- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales 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.

#### **8.5 Further action**

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

#### **8.6 No liability when acting in good faith**

Each Scheme Shareholder agrees that none of Intecq, Tabcorp, Bidco, nor any director, officer, secretary or employee of any of those entities shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

**SCHEDULE 7  
DEED POLL**

# Deed Poll

Tabcorp Holdings Limited

[Bidco]

Date 2016

**This deed poll** is made

By **TABCORP HOLDINGS LIMITED ABN 66 063 780 709** of 5 Bowen Crescent, Melbourne Victoria 3004 (**Tabcorp**); and

[Bidco] ABN [\*] of 5 Bowen Crescent, Melbourne Victoria 3004 (**Bidco**)

**in favour of**

Each person registered as a holder of fully paid ordinary shares in Intecq Limited ABN 59 056 210 774 (**Intecq**) in the Share Register as at the Scheme Record Date.

## **BACKGROUND**

- A. Intecq and Tabcorp have entered into the Implementation Agreement.
- B. Tabcorp is the ultimate holding company of Bidco.
- C. Under the Implementation Agreement, Intecq has agreed to propose the Scheme in accordance with the Implementation Agreement.
- D. In accordance with the Implementation Agreement, each of Tabcorp and Bidco is executing this deed poll for the purpose of covenanting in favour of the Scheme Shareholders that it will perform the obligations contemplated of it under the Scheme.

This deed poll provides as follows:

### **1. Definitions and interpretation**

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#### **1.1 Definitions**

- (a) In this deed poll:

**First Court Date** means the first day on which an application made to the Court for an order under subsection 411(1) of the Corporations Act convening the Scheme Meeting to consider the Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard;

**Implementation Agreement** means the scheme implementation agreement between Intecq and Tabcorp dated [\*] relating to the implementation of the Scheme; and

**Scheme** means the scheme of arrangement under Part 5.1 of the Corporations Act between Intecq and the Scheme Shareholders, a copy of which is set out in the Schedule to this deed poll, subject to any alterations or conditions as agreed between Tabcorp and Intecq in writing or made or

required by the Court under subsection 411(6) of the Corporations Act and agreed to in writing by Tabcorp and Intecq.

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

## 1.2 Interpretation

Clause 1.2 of the Scheme applies 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

Each of Tabcorp and Bidco 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 Intecq 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 Tabcorp and Bidco.

## 2. Conditions to obligations and termination

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### 2.1 Conditions

This deed poll and the obligations of each of Tabcorp and Bidco under this deed poll are subject to the Scheme becoming Effective.

### 2.2 Termination

The obligations of Tabcorp and Bidco 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 Agreement is terminated in accordance with its terms; or
- (b) the Scheme does not become Effective on or before the Sunset Date, unless Tabcorp, Bidco and Intecq otherwise agree in writing.

### 2.3 Consequences of termination

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

- 
- (a) each of Tabcorp and Bidco is released from its obligations under this deed poll, except those obligations under clause 7.1; and
  - (b) each Scheme Shareholder retains any rights, powers or remedies that it has against Tabcorp or Bidco in respect of any breach of this deed poll which occurred before it was terminated.

### **3. Scheme obligations**

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- (a) Subject to clause 2, Bidco undertakes in favour of each Scheme Shareholder to:
  - (i) deposit, in cleared funds, by no later than the Business Day before the Implementation Date, an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders (less any Withheld Tax Amounts) under the Scheme into an Australian dollar denominated trust account operated by Intecq as trustee for the Scheme Shareholders and notified to Bidco and Tabcorp at least 3 Business Days prior to the Implementation Date, except that any interest on the amounts deposited (less bank fees and other charges) will be credited to Bidco's account; and
  - (ii) undertake all other actions attributed to it under the Scheme, subject to and in accordance with the terms of the Scheme.
- (b) Subject to clause 2, Tabcorp undertakes in favour of each Scheme Shareholder to:
  - (i) procure the deposit by Bidco of, in cleared funds, by no later than the Business Day before the Implementation Date, an amount equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders (less any Withheld Tax Amounts) under the Scheme into an Australian dollar denominated trust account operated by Intecq as trustee for the Scheme Shareholders and notified to Bidco and Tabcorp at least 3 Business Days prior to the Implementation Date, except that any interest on the amounts deposited (less bank fees and other charges) will be credited to Bidco's account; and
  - (ii) undertake all other actions attributed to it under the Scheme, subject to and in accordance with the terms of the Scheme.

### **4. Warranties**

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Each of Tabcorp and Bidco 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 the place of its incorporation;
- (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) the execution and performance by it of this deed poll and each transaction contemplated by this deed poll did not and will not violate in any respect a provision of:
  - (i) a law, judgment, ruling, order or decree binding on it; or
  - (ii) its constitution or other constituent documents.

## 5. Continuing obligations

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

- (a) each of Tabcorp and Bidco having fully performed their obligations under this deed poll; and
- (b) termination of this deed poll under clause 2.

## 6. Notices

### 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 sender; and
- (b) addressed to Tabcorp and Bidco in accordance with the details set out below (or any alternative details nominated by Tabcorp or Bidco in writing).

Party	Address	Addressee	Email	Fax Number
Intecq	c/o Whittens & McKeough Level 5, 137 – 139 Bathurst	Paul Oneile Alistair McKeough	<a href="mailto:paul@oneile.com">paul@oneile.com</a> <a href="mailto:amckeough@whittens.com.au">amckeough@whittens.com.au</a>	+61 2 9283 1970

	Street Sydney NSW 2000			
Tabcorp	5 Bowen Crescent, Melbourne VIC 3004	The Company Secretary	<a href="mailto:Fiona.Mead@tabcorp.com.au">Fiona.Mead@tabcorp.com.au</a>	+61 3 9868 2933
Bidco	5 Bowen Crescent, Melbourne VIC 3004	The Company Secretary	<a href="mailto:Fiona.Mead@tabcorp.com.au">Fiona.Mead@tabcorp.com.au</a>	+61 3 9868 2933

## 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 email to the nominated email address	<p>The earliest to occur of:</p> <ul style="list-style-type: none"> <li>(i) the time that the sender receives an automated message from the intended recipient's information system confirming delivery of the email;</li> <li>(ii) the time that the email is first opened or read by the intended recipient, or an employee or officer of the intended recipient; and</li> <li>(iii) two hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives, within that two hour period, an automated message that the email has not been delivered.</li> </ul>

<b>Method of giving Notice</b>	<b>When Notice is regarded as given and received</b>
By fax to the nominated fax number	On receipt by the sender of a transmission control report from the dispatching machine showing the relevant number of pages and the correct destination fax number or name of the intended recipient and indicating that the transmission has been made without error.

## **7. General**

### **7.1 Stamp duty**

- (a) Bidco must pay, and Tabcorp must procure that Bidco pays, 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 the Scheme and this deed poll.
- (b) Bidco must indemnify each Scheme Shareholder against any liability arising from any 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 New South Wales, Australia.
- (b) Tabcorp and Bidco irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in New South Wales and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed poll. Tabcorp and Bidco 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 No Waiver**

No failure to exercise nor any delay in exercising any right, power or remedy by any of Tabcorp and Bidco or by any Scheme Shareholder operates as a waiver. A single or partial exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver of any right, power or remedy on one or more occasions does not operate as a waiver of that right, power or remedy on any other occasion, or of any other right, power or remedy. A waiver is not valid or binding on the person granting that waiver unless made in writing.

### **7.4 Variation**

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

- (a) if before the First Court Date, the variation is agreed to by Intecq; or

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

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

#### 7.7 **Further action**

Each of Tabcorp and Bidco must, at its own expense, do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

**Schedule**

**Scheme**



**EXECUTED** as an agreement:

**INTECQ:**

**EXECUTED by INTECQ LIMITED ABN 59 056 210 774** pursuant to section 127 of the *Corporations Act 2001* (Cth):

.....  
Director/Secretary  
Full Name:

.....  
Director:  
Full Name:

**TABCORP:**

**EXECUTED by TABCORP HOLDINGS LIMITED ABN 66 063 780 709** pursuant to section 127 of the *Corporations Act 2001* (Cth):

.....  
Director/Secretary  
Full Name:

.....  
Director:  
Full Name: