

## Appendix 3G

### Notification of issue, conversion or payment up of equity +securities

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

*If you are an entity incorporated outside Australia and you are issuing a new class of +securities other than CDIs, you will need to obtain and provide an International Securities Identification Number (ISIN) for that class. Further information on the requirement for the notification of an ISIN is available from the Create Online Forms page. ASX is unable to create the new ISIN for non-Australian issuers.*

*\*Denotes minimum information required for first lodgement of this form, with exceptions provided in specific notes for certain questions. The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.*

#### Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	*Name of entity <i>We (the entity here named) give notice of the issue, conversion or payment up of the following unquoted +securities.</i>	Codan Limited
1.2	*Registration type and number <i>Please supply your ABN, ARSN, ARBN, ACN or another registration type and number (if you supply another registration type, please specify both the type of registration and the registration number).</i>	ABN 77 007 590 605
1.3	*ASX issuer code	CDA
1.4	*This announcement is <i>Tick whichever is applicable.</i>	<input checked="" type="checkbox"/> A new announcement <input type="checkbox"/> An update/amendment to a previous announcement <input type="checkbox"/> A cancellation of a previous announcement
1.4a	*Reason for update <i>Mandatory only if "Update" ticked in Q1.4 above. A reason must be provided for an update.</i>	N/A
1.4b	*Date of previous announcement to this update <i>Mandatory only if "Update" ticked in Q1.4 above.</i>	N/A
1.4c	*Reason for cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.4d	*Date of previous announcement to this cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.5	*Date of this announcement	13 November 2020

## Part 2 – Type of issue

Question No.	Question	Answer
2.1	<p>*The +securities the subject of this notification are:</p> <p><i>Select whichever item is applicable.</i></p> <p><i>If you wish to notify ASX of different types of issues of securities, please complete a separate Appendix 3G for each type of issue.</i></p>	<p><input type="checkbox"/> +securities issued as a result of options being exercised or other +convertible</p> <p><input type="checkbox"/> +securities being converted and that are not to be quoted on ASX</p> <p><input type="checkbox"/> partly paid +securities that have been fully paid up and that are not to be quoted on ASX</p> <p><input checked="" type="checkbox"/> +securities issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><input type="checkbox"/> other [please specify]</p> <p><i>If you have selected 'other' please provide the circumstances of the issue here:</i></p>
2.2a.1	<p>Please state the number and type of options that were exercised or other +convertible securities that were converted (including their ASX security code if available)?</p> <p><i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i></p>	N/A
2.2a.2	<p>And the date the options were exercised or other +convertible securities were converted:</p> <p><i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i></p> <p><i>Note: If this occurred over a range of dates, enter the date the last of the options was exercised or convertible securities was converted.</i></p>	N/A
2.2b.1	<p>Please state the number and type of partly paid +securities that were fully paid up (including their ASX +security code if available)?</p> <p><i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i></p>	N/A
2.2b.2	<p>And the date the +securities were fully paid up:</p> <p><i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i></p> <p><i>Note: If this occurred over a range of dates, enter the date the last of the securities was fully paid up.</i></p>	N/A

2.2c.1	<p>Please state the number and type of +securities (including their ASX security code) issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	154,830 CDAAI performance rights																					
2.2c.2	<p>*Please attach a document or provide details of a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	Codan Performance Rights Plan Rules are attached																					
2.2c.3	<p>*Are any of these +securities being issued to +key management personnel (KMP) or an +associate</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	Yes																					
2.2c.3.a	<p>*Provide details of the recipients and the number of +securities issued to each of them.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX" and your response to Q2.2c.3 is "Yes". Repeat the detail in the table below for each KMP involved in the issue. If the securities are being issued to the KMP, repeat the name of the KMP or insert "Same" in "Name of registered holder". If the securities are being issued to an associate of a KMP, insert the name of the associate in "Name of registered holder".</i></p> <table border="1"> <thead> <tr> <th>Name of KMP</th><th>Name of registered holder</th><th>Number of +securities</th></tr> </thead> <tbody> <tr> <td>Donald Shields McGurk</td><td>Same</td><td>27,809</td></tr> <tr> <td>Peter David Charlesworth</td><td>Same</td><td>18,102</td></tr> <tr> <td>Michael Barton</td><td>Same</td><td>14,641</td></tr> <tr> <td>Rory Daniel Linehan</td><td>Same</td><td>17,747</td></tr> <tr> <td>Stephen Paul Sangster</td><td>Same</td><td>17,536</td></tr> <tr> <td>Scott Andrew French</td><td>Same</td><td>17,788</td></tr> </tbody> </table>		Name of KMP	Name of registered holder	Number of +securities	Donald Shields McGurk	Same	27,809	Peter David Charlesworth	Same	18,102	Michael Barton	Same	14,641	Rory Daniel Linehan	Same	17,747	Stephen Paul Sangster	Same	17,536	Scott Andrew French	Same	17,788
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2.2d.1	<p>*The purpose(s) for which the entity is issuing the securities is:</p> <p><i>Answer this question if your response to Q2.1 is "Other".</i></p> <p><i>You may select one or more of the items in the list.</i></p>	<p><input type="checkbox"/> to raise additional working capital</p> <p><input type="checkbox"/> to fund the retirement of debt</p> <p><input type="checkbox"/> to pay for the acquisition of an asset [provide details below]</p> <p><input type="checkbox"/> to pay for services rendered [provide details below]</p> <p><input type="checkbox"/> other [provide details below]</p> <p><i>Additional details:</i></p> <p>N/A</p>																					

2.2d.2	Please provide any further information needed to understand the circumstances in which you are notifying the issue of these +securities to ASX, including why the issue of the +securities has not been previously announced to the market in an Appendix 3B <i>Answer this question if your response to Q2.1 is "Other".</i>	N/A
2.3	*The +securities being issued are: <i>Tick whichever is applicable</i>	<input checked="" type="checkbox"/> Additional +securities in an existing unquoted class that is already recorded by ASX ("existing class") <input type="checkbox"/> New +securities in an unquoted class that is not yet recorded by ASX ("new class")

## Part 3A – number and type of +securities being issued (existing class)

Answer the questions in this part if your response to Q2.3 is "existing class".

Question No.	Question	Answer
3A.1	*ASX +security code & description	CDAAI performance rights
3A.2	*Number of +securities being issued	154,830
3A.3a	*Will the +securities being issued rank equally in all respects from their issue date with the existing issued +securities in that class?	Yes
3A.3b	*Is the actual date from which the +securities will rank equally (non-ranking end date) known? <i>Answer this question if your response to Q3A.3a is "No".</i>	N/A
3A.3c	*Provide the actual non-ranking end date <i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "Yes".</i>	N/A
3A.3d	*Provide the estimated non-ranking end period <i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "No".</i>	N/A
3A.3e	*Please state the extent to which the +securities do not rank equally: <ul style="list-style-type: none"> <li>• in relation to the next dividend, distribution or interest payment; or</li> <li>• for any other reason</li> </ul> <i>Answer this question if your response to Q3A.3a is "No".</i> <i>For example, the securities may not rank at all, or on a pro rata basis for the next dividend, distribution or interest payment; or the securities may not rank at all or on a pro rata basis or be entitled to participate in some other event, such as an entitlement issue.</i>	N/A

## Part 3B – number and type of +securities being issued (new class)

Answer the questions in this part if your response to Q2.3 is “new class”.

Question No.	Question	Answer
3B.1	*Security description	N/A
3B.2	<p>*Security type</p> <p>Select one item from the list</p> <p>Please select the most appropriate security type from the list. This will determine more detailed questions to be asked about the security later in this section. Select “ordinary fully or partly paid shares/units” for stapled securities or CDIs. For interest rate securities, please select the appropriate choice from either “Convertible debt securities” or “Non-convertible debt securities”. Select “Other” for performance shares/units and performance options/rights or if the selections available in the list do not appropriately describe the security being issued.</p>	<input type="checkbox"/> Ordinary fully or partly paid shares/units <input type="checkbox"/> Options <input type="checkbox"/> +Convertible debt securities <input type="checkbox"/> Non-convertible +debt securities <input type="checkbox"/> Redeemable preference shares/units <input type="checkbox"/> Other
3B.3	<p>ISIN code</p> <p>Answer this question if you are an entity incorporated outside Australia and you are issuing a new class of securities other than CDIs. See also the note at the top of this form.</p>	N/A
3B.4	*Number of +securities being issued	N/A
3B.5a	*Will all the +securities issued in this class rank equally in all respects from the issue date?	N/A
3B.5b	<p>*Is the actual date from which the +securities will rank equally (non-ranking end date) known?</p> <p>Answer this question if your response to Q3B.5a is “No”.</p>	N/A
3B.5c	<p>*Provide the actual non-ranking end date</p> <p>Answer this question if your response to Q3B.5a is “No” and your response to Q3B.5b is “Yes”.</p>	N/A
3B.5d	<p>*Provide the estimated non-ranking end period</p> <p>Answer this question if your response to Q3B.5a is “No” and your response to Q3B.5b is “No”.</p>	N/A
3B.5e	<p>*Please state the extent to which the +securities do not rank equally:</p> <ul style="list-style-type: none"> <li>• in relation to the next dividend, distribution or interest payment; or</li> <li>• for any other reason</li> </ul> <p>Answer this question if your response to Q3B.5a is “No”.</p> <p>For example, the +securities may not rank at all, or on a pro rata basis for the next dividend, distribution or interest payment; or the +securities may not rank at all or on a pro rata basis or be entitled to participate in some other event, such as an entitlement issue.</p>	N/A

3B.6	<p>Please attach a document or provide a URL link for a document lodged with ASX setting out the material terms of the +securities being issued</p> <p><i>You may cross reference a disclosure document, PDS, information memorandum, investor presentation or other announcement with this information provided it has been released to the ASX Market Announcements Platform.</i></p>	N/A
3B.7	<p>*Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1?</p> <p><i>Answer this question only if you are an ASX Listing. (ASX Foreign Exempt Listings and ASX Debt Listings do not have to answer this question).</i></p> <p><i>If your response is "No" and the securities have any unusual terms, you should approach ASX as soon as possible for confirmation under listing rule 6.1 that the terms are appropriate and equitable.</i></p>	N/A
3B.8a	<p><b>Ordinary fully or partly paid shares/units details</b></p> <p><i>Answer the questions in this section if you selected this security type in your response to Question 3B.2.</i></p>	
	<p>*+Security currency</p> <p><i>This is the currency in which the face amount of an issue is denominated. It will also typically be the currency in which distributions are declared.</i></p>	N/A
	<p>*Will there be CDIs issued over the +securities?</p>	N/A
	<p>*CDI ratio</p> <p><i>Answer this question if you answered "Yes" to the previous question. This is the ratio at which CDIs can be transmuted into the underlying security (e.g. 4:1 means 4 CDIs represent 1 underlying security whereas 1:4 means 1 CDI represents 4 underlying securities).</i></p>	N/A
	<p>*Is it a partly paid class of +security?</p>	N/A
	<p>*Paid up amount: unpaid amount</p> <p><i>Answer this question if answered "Yes" to the previous question.</i></p> <p><i>The paid up amount represents the amount of application money and/or calls which have been paid on any security considered 'partly paid'</i></p> <p><i>The unpaid amount represents the unpaid or yet to be called amount on any security considered 'partly paid'.</i></p> <p><i>The amounts should be provided per the security currency (e.g. if the security currency is AUD, then the paid up and unpaid amount per security in AUD).</i></p>	N/A
	<p>*Is it a stapled +security?</p> <p><i>This is a security class that comprises a number of ordinary shares and/or ordinary units issued by separate entities that are stapled together for the purposes of trading.</i></p>	N/A
3B.8b	<p><b>Option details</b></p> <p><i>Answer the questions in this section if you selected this security type in your response to Question 3B.2.</i></p>	
	<p>*+Security currency</p> <p><i>This is the currency in which the exercise price is payable.</i></p>	N/A

	<p><b>*Exercise price</b>  <i>The price at which each option can be exercised and convert into the underlying security. If there is no exercise price please answer as \$0.00.</i>  <i>The exercise price should be provided per the security currency (i.e. if the security currency is AUD, the exercise price should be expressed in AUD).</i></p>	N/A
	<p><b>*Expiry date</b>  <i>The date on which the options expire or terminate.</i></p>	N/A
	<p><b>*Details of the number and type of +security (including its ASX +security code if the +security is quoted on or recorded by ASX) that will be issued if an option is exercised</b>  <i>For example, if the option can be exercised to receive one fully paid ordinary share with ASX security code ABC, please insert "One fully paid ordinary share (ASX:ABC)".</i></p>	N/A
3B.8c	<p><b>Details of non-convertible +debt securities, +convertible debt securities, or redeemable preference shares/units</b>  <i>Answer the questions in this section if you selected one of these security types in your response to Question 3B.2.</i>  <i>Refer to Guidance Note 34 and the "Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities" for further information on certain terms used in this section</i></p>	
	<p><b>*Type of +security</b>  <i>Select one item from the list</i></p>	<input type="checkbox"/> Simple corporate bond <input type="checkbox"/> Non-convertible note or bond <input type="checkbox"/> Convertible note or bond <input type="checkbox"/> Preference share/unit <input type="checkbox"/> Capital note <input type="checkbox"/> Hybrid security <input type="checkbox"/> Other
	<p><b>*+Security currency</b>  <i>This is the currency in which the face value of the security is denominated. It will also typically be the currency in which interest or distributions are paid.</i></p>	N/A
	<p><b>Face value</b>  <i>This is the principal amount of each security.</i>  <i>The face value should be provided per the security currency (i.e. if security currency is AUD, then the face value per security in AUD).</i></p>	N/A
	<p><b>*Interest rate type</b>  <i>Select one item from the list</i>  <i>Select the appropriate interest rate type per the terms of the security. Definitions for each type are provided in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities</i></p>	<input type="checkbox"/> Fixed rate <input type="checkbox"/> Floating rate <input type="checkbox"/> Indexed rate <input type="checkbox"/> Variable rate <input type="checkbox"/> Zero coupon/no interest <input type="checkbox"/> Other
	<p><b>Frequency of coupon/interest payments per year</b>  <i>Select one item from the list.</i></p>	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-annual <input type="checkbox"/> Annual <input type="checkbox"/> No coupon/interest payments <input type="checkbox"/> Other

	<p>First interest payment date</p> <p><i>A response is not required if you have selected "No coupon/interest payments" in response to the question above on the frequency of coupon/interest payments</i></p>	N/A
	<p>Interest rate per annum</p> <p><i>Answer this question if the interest rate type is fixed.</i></p>	N/A
	<p>*Is the interest rate per annum estimated at this time?</p> <p><i>Answer this question if the interest rate type is fixed.</i></p>	N/A
	<p>If the interest rate per annum is estimated, then what is the date for this information to be announced to the market (if known)</p> <p><i>Answer this question if the interest rate type is fixed and your response to the previous question is "Yes".</i></p> <p><i>Answer "Unknown" if the date is not known at this time.</i></p>	N/A
	<p>*Does the interest rate include a reference rate, base rate or market rate (e.g. BBSW or CPI)?</p> <p><i>Answer this question if the interest rate type is floating or indexed</i></p>	N/A
	<p>*What is the reference rate, base rate or market rate?</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p>	N/A
	<p>*Does the interest rate include a margin above the reference rate, base rate or market rate?</p> <p><i>Answer this question if the interest rate type is floating or indexed.</i></p>	N/A
	<p>*What is the margin above the reference rate, base rate or market rate (expressed as a percent per annum)</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p>	N/A
	<p>*Is the margin estimated at this time?</p> <p><i>Answer this question if the interest rate type is floating or indexed.</i></p>	N/A
	<p>If the margin is estimated, then what is the date for this information to be announced to the market (if known)</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p> <p><i>Answer "Unknown" if the date is not known at this time.</i></p>	N/A



	<p>*S128F of the Income Tax Assessment Act status applicable to the +security</p> <p>Select one item from the list</p> <p>For financial products which are likely to give rise to a payment to which s128F of the Income Tax Assessment Act applies, ASX requests issuers to confirm the s128F status of the security:</p> <ul style="list-style-type: none"> <li>• “s128F exempt” means interest payments are not taxable to non-residents;</li> <li>• “Not s128F exempt” means interest payments are taxable to non-residents;</li> <li>• “s128F exemption status unknown” means the issuer is unable to advise the status;</li> <li>• “Not applicable” means s128F is not applicable to this security</li> </ul>	<p><input type="checkbox"/> s128F exempt</p> <p><input type="checkbox"/> Not s128F exempt</p> <p><input type="checkbox"/> s128F exemption status unknown</p> <p><input checked="" type="checkbox"/> Not applicable</p>
	<p>*Is the +security perpetual (i.e. no maturity date)?</p>	<p>N/A</p>
	<p>*Maturity date</p> <p>Answer this question if the security is not perpetual</p>	<p>N/A</p>
	<p>*Select other features applicable to the +security</p> <p>Up to 4 features can be selected. Further information is available in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities.</p>	<p><input type="checkbox"/> Simple</p> <p><input type="checkbox"/> Subordinated</p> <p><input type="checkbox"/> Secured</p> <p><input type="checkbox"/> Converting</p> <p><input type="checkbox"/> Convertible</p> <p><input type="checkbox"/> Transformable</p> <p><input type="checkbox"/> Exchangeable</p> <p><input type="checkbox"/> Cumulative</p> <p><input type="checkbox"/> Non-Cumulative</p> <p><input type="checkbox"/> Redeemable</p> <p><input type="checkbox"/> Extendable</p> <p><input type="checkbox"/> Reset</p> <p><input type="checkbox"/> Step-Down</p> <p><input type="checkbox"/> Step-Up</p> <p><input type="checkbox"/> Stapled</p> <p><input type="checkbox"/> None of the above</p>
	<p>*Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?</p>	<p>N/A</p>
	<p>*If yes, what is the first trigger date</p> <p>Answer this question if your response to the previous question is “Yes”.</p>	<p>N/A</p>
	<p>Details of the number and type of +security (including its ASX +security code if the +security is quoted on ASX) that will be issued if the securities to be quoted are converted, transformed or exchanged</p> <p>Answer this question if the security features include “converting”, “convertible”, “transformable” or “exchangeable”.</p> <p>For example, if the security can be converted into 1,000 fully paid ordinary shares with ASX security code ABC, please insert “1,000 fully paid ordinary share (ASX:ABC)”.</p>	<p>N/A</p>

## Part 4 – Issue details

Question No.	Question	Answer
4.1	*Have the +securities been issued yet?	Yes
4.1a	*What was their date of issue? <i>Answer this question if your response to Q4.1 is "Yes".</i>	13 November 2020
4.1b	*What is their proposed date of issue? <i>Answer this question if your response to Q4.1 is "No".</i>	N/A
4.2	*Are the +securities being issued for a cash consideration? <i>If the securities are being issued for nil cash consideration, answer this question "No".</i>	No
4.2a	*In what currency is the cash consideration being paid <i>For example, if the consideration is being paid in Australian Dollars, state AUD. Answer this question if your response to Q4.2 is "Yes".</i>	N/A
4.2b	*What is the issue price per +security <i>Answer this question if your response to Q4.2 is "Yes" and by reference to the issue currency provided in your response to Q4.2a. Note: you cannot enter a nil amount here. If the securities are being issued for nil cash consideration, answer Q4.2 as "No" and complete Q4.2c.</i>	N/A
4.2c	Please describe the consideration being provided for the +securities <i>Answer this question if your response to Q4.2 is "No".</i>	Performance rights are being issued for nil consideration pursuant to the Codan Limited Performance Rights Plan Rules

## Part 5 – Unquoted +securities on issue

<p>Following the issue of the +securities the subject of this application, the unquoted issued +securities of the entity will comprise:</p> <p><i>Note: the figures provided in the table in section 5.1 below are used to calculate part of the total market capitalisation of the entity published by ASX from time to time. Please make sure you include in the table each class of unquoted securities issued by the entity.</i></p> <p><i>Restricted securities should be included in table 5.1.</i></p>		
5.1	*ASX +security code and description	*Total number of +securities on issue
	CDAAI performance rights	888,147

## Part 6 – Other Listing Rule requirements

The questions in this Part should only be answered if you are an ASX Listing (ASX Foreign Exempt Listings and ASX Debt Listings do not need to complete this Part) and:

- your response to Q2.1 is “+securities issued under an +employee incentive scheme that are not being immediately quoted on ASX”; or
- your response to Q2.1 is “Other”

Question No.	Question	Answer
6.1	<p>*Are the securities being issued under Listing Rule 7.2 exception 13<sup>1</sup> and therefore the issue does not need any security holder approval under Listing Rule 7.1?</p> <p><i>Answer this question if your response to Q2.1 is “securities issued under an employee incentive scheme that are not being immediately quoted on ASX”.</i></p>	No
6.2	<p>*Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is “No”.</i></p>	No
6.2a	<p>*Date of meeting or proposed meeting to approve the issue under listing rule 7.1</p> <p><i>Answer this question if the response to Q6.1 is “No” and the response to Q6.2 is “Yes”.</i></p>	N/A
6.2b	<p>*Are any of the +securities being issued without +security holder approval using the entity’s 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is “No” and the response to Q6.2 is “No”.</i></p>	Yes

<sup>1</sup> Exception 13

An issue of securities under an employee incentive scheme if within 3 years before the issue date:

- (a) in the case of a scheme established before the entity was listed – a summary of the terms of the scheme and the maximum number of equity securities proposed to be issued under the scheme were set out in the prospectus, PDS or information memorandum lodged with ASX under rule 1.1 condition 3; or
- (b) the holders of the entity’s ordinary securities have approved the issue of equity securities under the scheme as an exception to this rule. The notice of meeting must have included:
  - a summary of the terms of the scheme.
  - the number of securities issued under the scheme since the entity was listed or the date of the last approval under this rule;
  - the maximum number of +equity securities proposed to be issued under the scheme following the approval; and
  - a voting exclusion statement.

Exception 13 is only available if and to the extent that the number of +quity securities issued under the scheme does not exceed the maximum number set out in the entity’s prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

Exception 13 ceases to be available if there is a material change to the terms of the scheme from those set out in the entity’s prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

6.2b.1	<p>*How many +securities are being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2b is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i></p>	127,021
6.2c	<p>*Are any of the +securities being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p>	No
6.2c.1	<p>*How many +securities are being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2c is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.</i></p>	N/A

Introduced 01/12/19

# Performance Rights Plan Rules

Codan Limited (ABN 77 007 590 605)

Amended 30 August 2017

# Performance Rights Plan Rules

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# Performance Rights Plan Rules

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## **1 Rules and relationships between parties**

### **1.1 Rules to apply**

Performance Rights may be granted by Codan from time to time under the Plan in accordance with these Plan Rules.

### **1.2 Relationship between parties**

For the avoidance of doubt, nothing in these Plan Rules:

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

---

## **2 Administration of the Plan**

### **2.1 Administration by the Board**

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

### **2.2 Board's power and discretion**

Any power or discretion which is conferred on the Board by these Plan Rules must be exercised by the Board in the interests or for the benefit of Codan. The Board is not, in exercising any such power or discretion, under any fiduciary or other obligation to any other person.

### **2.3 Delegation by the Board**

Any power or discretion which is conferred on the Board by these Plan Rules may be delegated by the Board to:

- (a) a committee consisting of such Directors, other officers, or employees of Codan, or any combination of such persons as the Board thinks fit;
- (b) a related body corporate of Codan; or



(c) a third party,

for such periods and on such conditions as the Board thinks fit.

## **2.4 Decisions are final**

Except as expressly provided by these Plan Rules, where the Plan Rules provide for a determination, interpretation, decision, approval or opinion of Codan or the Board, such determination, interpretation, approval or opinion will be final and will be in the absolute discretion of Codan or the Board (as applicable).

## **2.5 Documents**

Codan may from time to time require a person invited to participate in the Plan or a Participant to complete and return such other documents as may be required by law to be completed by that person or Participant, or such other documents which Codan considers should, for legal, taxation or administrative reasons, be completed by that person or Participant.

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

The Board may from time to time suspend the operation of the Plan and may at any time cancel the Plan. The suspension or cancellation of the Plan must not prejudice the existing rights (if any) of Participants under the Plan.

---

# **3 Invitation to participate in the Plan**

## **3.1 Board may invite Employees to apply**

The Board may, subject to Rule 3.2 and any approvals of the shareholders of Codan required by law or the Listing Rules, at intervals determined by the Board, invite Employees to apply for Performance Rights.

## **3.2 Overriding restriction**

Notwithstanding any other provision of these Rules, the Board may not invite an Employee to apply for Performance Rights if the aggregate of:

- (a) the number of Shares that would be issued or transferred to the Employee on the exercise of those Performance Rights; and
- (b) the number of Shares held by the Employee,

is greater than or equal to five percent of the total number of issued Shares.

## **3.3 Terms and conditions**

Any such invitation may be on such terms and conditions as the Board decides from time to time, including as to:

- (a) the performance hurdles and Performance Periods applicable to the relevant Employee;

- (b) the number of Performance Rights that the relevant Employee may become entitled to apply for;
- (c) the time when a Performance Right that may be granted to the relevant Employee may become a Qualifying Performance Right and any criteria that needs to be satisfied;
- (d) the Exercise Period applicable to any such Performance Right; and
- (e) the Exercise Price (if any) applicable to the relevant Employee's Performance Rights.

---

## **4 Applications to participate in the Plan**

### **4.1 How Employees may apply**

To obtain Performance Rights under the Plan an Employee who has received an invitation under Rule 3.1 must make an application in the manner specified in that invitation and in accordance with these Rules.

### **4.2 Rules and Constitution are binding**

By making the application for Performance Rights, the relevant person agrees to be bound by these Rules and the Constitution.

### **4.3 Form of applications**

The application may be in such a form as may be determined by the Board from time to time but must include a confirmation that the relevant person agrees to be bound by these Rules and the Constitution of Codan.

### **4.4 Grant of Performance Rights**

Subject to Rules 4.5 and 4.6, where an Employee makes an application for Performance Rights under Rule 4.1, Codan:

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

### **4.5 When Applications will not be accepted**

An Employee's application under Rule 4.1 will not be accepted, and no Performance Rights will be granted to the Employee in respect of that application if, at the date the Performance Rights would otherwise be granted:

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

#### **4.6 Board's discretion**

The Board may determine that an application under Rule 4.1 by an Employee who would otherwise be eligible to acquire Performance Rights under the Plan will not be accepted.

---

### **5 Nature of Performance Rights**

#### **5.1 Nature of Performance Rights**

Each Performance Right is a right of a Participant to acquire one Share (whether by way of issue or transfer, at Codan's election), subject to these Rules. A Participant does not have a legal or beneficial interest in any Shares by virtue of acquiring or holding a Performance Right. A Participant's rights under the Performance Right are purely contractual and personal. In particular, a Participant is not entitled to participate in or receive any dividends or other shareholder benefits until their Qualifying Performance Rights have been exercised and Shares have been allocated to the Participant as a result of the exercise of those Qualifying Performance Rights.

#### **5.2 Qualifying Performance Rights**

When the Performance Rights held by a Participant become Qualifying Performance Rights, the Participant may exercise the Qualifying Performance Rights subject to these Rules.

---

### **6 Lapse of Performance Rights**

#### **6.1 When Performance Rights lapse**

Subject to Rule 12, any Performance Right that is:

- (a) not exercised within the applicable Exercise Period (including as revised in accordance with these Plan Rules); or
- (b) transferred or purported to have been transferred without the Board's prior written consent,

will automatically lapse at the end of the relevant Exercise Period, or at the time of transfer or purported transfer (as applicable).

#### **6.2 Effect of lapse**

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

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### **7 Restrictions on transfer and dealing**

#### **7.1 Board consent required**

Subject to Rule 7.2 below, Performance Rights can only be transferred with the Board's prior written consent.

## **7.2 Death or mental incapacity**

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

---

## **8 Qualifying Performance Rights**

A Performance Right (which has not otherwise lapsed under Rule 6 or Rule 12) becomes a Qualifying Performance Right if:

- (a) the performance hurdles set out in the invitation made in relation to that Performance Right under Rule 3 have been met within the Performance Period;
- (b) an Event occurs; or
- (c) the Performance Right has otherwise become a Qualifying Performance Right under these Rules,

and the Board gives the Participant who holds the Performance Right written notice that the Performance Right may be exercised.

---

## **9 Exercise of Qualifying Performance Rights**

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

Each Performance Right that becomes a Qualifying Performance Right entitles the holder to acquire one Share (subject to any adjustment under Rule 11) when exercised in accordance with Rule 9.4.

### **9.2 Issue or transfer of Shares on exercise**

Subject to the Corporations Act and the Listing Rules, Codan must procure the transfer or issue (at its election) of Shares on the exercise of Qualifying Performance Rights in accordance with these Plan Rules. Codan may procure the issue or transfer of these Shares directly to the relevant Participant or a person named by that Participant.

### **9.3 Shares rank equally**

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

#### **9.4 How Qualifying Performance Rights may be exercised**

A Performance Right that is a Qualifying Performance Right may be exercised during the Exercise Period applicable to that Performance Right, or as otherwise permitted by the Board under these Plan Rules, by the relevant Participant:

- (a) lodging a notice of exercise of Qualifying Performance Right (in the forms determined by the Board) with the Company Secretary or such other person as the Board designates from time to time; and
- (b) making payment of the applicable Exercise Price (if any) to Codan.

#### **9.5 Minimum number for exercise**

A Participant may only exercise their Qualifying Performance Rights in multiples of 100, unless the Participant exercises all of the Qualifying Performance Rights. The exercise of some Qualifying Performance Rights only does not affect the Participant's right to exercise other Qualifying Performance Rights at a later time.

---

### **10 Restriction on disposal and risk of forfeiture of Shares**

#### **10.1 Request for waiver**

Shares issued or transferred on exercise of Qualifying Performance Rights are subject to the restrictions under Rule 10.2, unless the Participant requests that Codan waives those restrictions under Rule 10.2 (such notice to be made at the same time the notice is provided in accordance with Rule 9.4) and that request is approved by Codan.

#### **10.2 Restriction**

Subject to Rule 10.1, any Share acquired by a Participant on the exercise of a Qualifying Performance Right must not be disposed of or dealt with in any way by that Participant until the earlier of:

- (a) where a period is determined by the Board for the purpose of this Rule 10.2(a) and set out in the invitation to the Participant under Rule 3.1 to acquire the Performance Right, the expiration of that period ; and
- (b) the time when an event occurs so that the Participant is not employed by any of:
  - (i) Codan or any entity within the Codan Group; and
  - (ii) the company which employed the Participant at the time the Participant acquired the Performance Right, whether or not that company is still within the Codan Group,

or any such time following the Participant ceasing to be employed as determined by the Board in its absolute discretion for the purpose of this Rule 10.2(b) and set out in the invitation to the Participant;

- (c) the Board, in its sole and absolute discretion, approving a recommendation by the Board's Remuneration Committee that the restriction on disposal in this Rule 10.2 be released; and
- (d) the end of 15 years commencing on the day the Performance Right was granted to the Participant or such later period as determined by the Board in its absolute discretion for the purpose of this Rule 10.2(d) and set out in the invitation to the Participant.

### **10.3 Enforcing the disposal restriction**

Codan may make such arrangements as it considers necessary to enforce the restriction on disposal of Shares under Rule 10.2 and Participants must agree to such arrangements.

### **10.4 Holding Locks**

Without limiting Rule 10.3, and subject to the Listing Rules, Codan may procure that a Holding Lock be put on those Shares while the Shares are subject to the restriction on disposal under Rule 10.2.

### **10.5 Removing the restriction**

As soon as reasonably practicable after the restriction on disposal of a Share under Rule 10.2 no longer applies, Codan must procure that any restriction on dealing with that Share pursuant to these Rules no longer applies.

### **10.6 Removing Holding Locks**

Without limiting Rule 10.5, when a Share is no longer subject to the restriction on disposal in Rule 10.2, Codan must, as soon as reasonably practicable, procure that any Holding Lock on that Share is removed.

### **10.7 Risk of forfeiture**

A Share issued to a Participant on the exercise of a Performance Right is issued to the Participant on the terms that it will be forfeited while the Shares are subject to the restriction on disposal under Rule 10.2 upon the Participant:

- (a) perpetrating fraud as against Codan or the Codan Group;
- (b) acting dishonestly to Codan or the Codan Group;
- (c) committing a breach of the Participant's obligations to Codan or the Codan Group, including those obligations that survive cessation of employment;
- (d) becoming an employee of, or providing services to, an entity considered by the Board (acting reasonably) to be a competitor of the Codan Group; or

- (e) engaging in any activity considered by the Board (acting reasonably) to be detrimental to Codan or the Codan Group.

#### **10.8 When risk of forfeiture ceases**

The right of Codan to cause a Share held by a Participant to be forfeited under rule 10.7 extinguishes at the end of the Restriction Period.

#### **10.9 Codan to notify and record forfeiture**

When a Share is forfeited under rule 10.7, Codan must:

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

A failure to do this does not invalidate the forfeiture.

#### **10.10 Consequences of forfeiture**

The forfeiture of a Share extinguishes:

- (a) the Participant's interest in the Share; and
- (b) all claims against Codan in respect of the Share, including (without limitation) all dividends presently payable by Codan on the Share.

#### **10.11 Disposal of forfeited Share**

Subject to the Listing Rules:

- (a) the Participant grants to the Board an irrevocable power of attorney to sell, dispose, transfer or otherwise deal with a forfeited Share on any terms and in any way the Board may decide, with such power able to be exercised by the Board in the event that the Share is liable to be forfeited; and
- (b) if the Board sells, disposes, transfers or otherwise deals with a forfeited Share pursuant to rule 10.11(a), then the Participant acknowledges and agrees that he/she is not entitled to any proceeds in respect of such dealing, and the Board and Codan is not under any obligation to act in the interests of the Participant or to account to the Participant in respect of such dealing and Codan may retain all net proceeds (if any) of any such dealing.

#### **10.12 Waiver by Board**

The Board may:

- (a) waive any of the rights of Codan under this rule 10; or
- (b) before any sale, disposal, transfer or other dealing of a forfeited Share, annul the forfeiture on any terms the Board decides.

---

## **11 Participation in future issues**

### **11.1 Participation generally**

A Performance Right does not entitle the holder to participate in new issues of securities to holders of Shares, unless:

- (a) that Performance Right has become a Qualifying Performance Right and has been exercised; and
- (b) a Share has been issued or transferred to the Participant in respect of that Performance Right,

before the Record Date for determining entitlements to securities under the new issue.

### **11.2 Notice**

Codan must give notice to Participants who hold Qualifying Performance Rights of any new issue of securities not less than 10 Business Days before the Record Date for determining entitlements to securities under the new issue.

### **11.3 Bonus issues**

If:

- (a) Codan makes a bonus issue of Shares or other securities pro rata to holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment); and
- (b) a Performance Right has not been exercised and a Share has not been issued or transferred in respect of that Performance Right before the Record Date for determining entitlements under the bonus issue,

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

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

### **11.4 Reconstruction**

If there is any reconstruction of the issued share capital of Codan, the number of Shares to which a Participant is entitled on the exercise of a Performance Right will be reconstructed as required by the Listing Rules in force at the time of the reconstruction and in a manner that will not result in any benefits being conferred on the Participant that are not conferred on shareholders (subject to the provisions with respect to rounding of entitlements as



sanctioned by any meeting of shareholders approving the reconstruction of capital), but in all other respects the terms for the exercise of the Performance Rights will remain unchanged.

### **11.5 Rounding**

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

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## **12 Cessation of employment**

### **12.1 Termination for misconduct etc**

Subject to Rules 12.3 to 12.4 below, any Qualifying Performance Rights and Non-Qualifying Performance Rights will lapse immediately on termination of the Participant's employment within the Codan Group for the Participant's misconduct or any other reason justifying termination without notice.

### **12.2 Termination for other reasons**

Subject to Rules 12.3 to 12.4 below:

- (a) a Qualifying Performance Right will lapse at the end of 30 days; and
- (b) a Non-Qualifying Performance Right will lapse immediately,

after the Participant ceases to be an employee in the Codan Group for any reason other than a reason set out in Rule 12.1.

### **12.3 Death or Total and Permanent Disablement**

If a Participant ceases employment within the Codan Group as a result of death or Total and Permanent Disablement:

- (a) Rules 12.1 and 12.2 above will not apply to that Participant's Performance Rights;
- (b) that Participant's Qualifying Performance Rights will remain exercisable by that Participant's estate or legal personal representative who has been recognised by Codan as the holder of the Participant's Performance Rights in accordance with Rule 7.2 until the end of the Exercise Period applicable to those Performance Rights;
- (c) the Board will:
  - (i) determine as soon as reasonably practicable after the date of the Participant's death or Total and Permanent Disablement (as applicable) how many (if any) of that Participant's Non-Qualifying Performance Rights will become Qualifying Performance Rights and, if any become Qualifying

Performance Rights, the Exercise Period applicable to those Performance Rights commencing after the date of the Participant's death or Total and Permanent Disablement (as applicable); and

- (ii) notify the Participant's estate or legal personal representative of that determination in accordance with Rule 15 below; and
- (d) the balance of the Participant's Non-Qualifying Performance Rights will lapse immediately after the determination in Rule 12.3(c) is made.

#### **12.4 Redundancy, retirement, cessation by agreement or sale**

If a Participant is made redundant or retires, or ceases to be an employee of a member of the Codan Group by agreement with Codan or by reason of the sale of all (or substantially all) of the shares or all (or substantially all) of the assets of a member of the Codan Group to a party outside of the Codan Group:

- (a) Rules 12.1 and 12.2 will not apply to that Participant's Performance Rights;
- (b) that Participant's Qualifying Performance Rights will remain exercisable by the Participant until the end of the Exercise Period applicable to those Performance Rights;
- (c) the Board will:
  - (i) determine as soon as reasonably practicable after the date of the Participant being made redundant, retirement or ceasing to be employed (as applicable) how many (if any) of that Participant's Non-Qualifying Performance Rights will become Qualifying Performance Rights and, if any become Qualifying Performance Rights, the Exercise Period applicable to those Performance Rights commencing after the date the Participant ceases to be an employee within the Codan Group; and
  - (ii) notify the Participant of that determination in accordance with Rule 15 below; and
- (d) the balance of the Participant's Non-Qualifying Performance Rights will lapse immediately after the determination in Rule 12.4(c) is made.

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## **13 Change of tax residency**

- 13.1 Subject to Rule 13.2, if a Participant ceases to be an Australian resident for the purposes of the Income Tax Assessment Act 1936 (Cwlth) or the Income Tax Assessment Act 1997 (Cwlth):
- (a) that Participant's Qualifying Performance Rights will remain exercisable by the Participant until the end of the Exercise Period applicable to those Performance Rights;
  - (b) the Board will:
    - (i) determine as soon as reasonably practicable after the Participant ceases to be an Australian resident for tax purposes how many (if any) of that Participant's Non-Qualifying Performance Rights will become Qualifying Performance Rights and, if any become Qualifying Performance Rights, the Exercise Period applicable to those Performance Rights commencing after the Participant ceases to be an Australian resident for tax purposes; and
    - (ii) notify the Participant of that determination in accordance with Rule 14.3 below; and
  - (c) the balance of the Participant's Non-Qualifying Performance Rights will lapse immediately after the determination in Rule 13(b) is made.
- 13.2 For the avoidance of doubt, Rule 13.1 will not apply to a Participant who is a resident of a jurisdiction approved by the Board at the time they become a Participant.

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## **14 Calculations and determinations**

### **14.1 Force of calculations and determinations**

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

### **14.2 Fractions**

If a calculation performed in accordance with the steps set out in Rules 12 or 13 above results in a fractional number in respect of Performance Rights, the fraction will be eliminated in the following manner:

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

### **14.3 Notice of a determination**

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

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## **15 Record of Performance Rights granted**

Codan must open and maintain a record in respect of each Participant (for the purposes of book keeping only) which contains the following information:

- (a) the date on which the relevant person became a Participant;
- (b) the performance hurdles and Performance Periods applicable to the relevant person;
- (c) the number of Performance Rights that the relevant person may become entitled to apply for;
- (d) the number of Performance Rights (if any) which the relevant person has been granted and the date of grant;
- (e) the time when a Performance Right that has been granted to the relevant person may become a Qualifying Performance Right and any relevant criteria for that to occur;
- (f) the Exercise Period applicable to that Performance Right (subject to the Exercise Period being revised in accordance with these Plan Rules);
- (g) the Exercise Price (if any) applicable to the Participant's Performance Rights; and
- (h) any other related information which Codan considers appropriate to record.

Each Participant may request a summary of the record relating to their participation in the Plan by sending a notice to the Company Secretary during normal business hours. That summary will be provided to the Participant free of charge within a reasonable time of receiving that request.

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## **16 Amendment of the Plan Rules**

Codan may at any time by written instrument, or by resolution of the Board, amend all or any of the provisions of these Plan Rules (including this Rule 16). No amendment to these Plan Rules is to reduce the existing rights of any Participant in respect of any Performance Rights granted to that Participant prior to the date of the amendment, other than with the consent of the Participant or where the amendment is introduced primarily:

- (a) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legal requirements governing or regulating the maintenance or operation of the Plan or like plans;
- (b) to correct any manifest error or mistake;
- (c) to address possible adverse tax implications for Participants generally or any Codan Group company arising from:
  - (i) a ruling of any relevant taxation authority;
  - (ii) a change to tax legislation (including an official announcement by any relevant taxation authority); or
  - (iii) a change in interpretation of tax legislation by a court of competent jurisdiction or by any relevant taxation authority; or
- (d) to enable Codan or any body corporate in the Codan Group to comply with the Corporations Act or the Listing Rules.

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## 17 Definitions

The following words and phrases have these meanings in these Plan Rules and any information booklet, invitation or notice issued or given in connection with the Plan by Codan unless the contrary intention appears:

**ASX** means Australian Stock Exchange Limited (ABN 98 008 624 691).

**Board** means the board of directors of Codan.

**Codan** means Codan Limited (ABN 77 007 590 605).

**Codan Group** means Codan and each body corporate that is a subsidiary of Codan under Division 6 of Part 1.2 of the Corporations Act.

**Company Secretary** means the company secretary of Codan.

**Constitution** means the constitution of Codan, as amended or replaced from time to time.

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

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

- (a) if, under a Takeover Bid or otherwise, a person together with his or her associates acquires Shares which, when aggregated with Shares already acquired by such person and their associates, comprise more than 50% of the issued Shares of the Company and, in the case of a Takeover Bid, the Takeover Bid is or has become unconditional;
- (b) pursuant to an application made to the court under section 411 of the Corporations Act, the court orders a meeting to be held in relation to a proposed compromise or arrangement for the purposes of or in

connection with a scheme for the reconstruction of the Company or its amalgamation with any other company; or

- (c) Codan passes a resolution for voluntary winding up; or
- (d) an order is made for the compulsory winding up of Codan.

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

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

- (a) the 12 month period;
- (b) the period otherwise determined by the Board in its absolute discretion to be the Exercise Period and set out in the invitation made in respect of that Performance Right under Rule 3.1; or
- (c) the period otherwise determined to be the Exercise Period under Rules 12 or 13 from time to time,

commencing on the date on which the Performance Right becomes a Qualifying Performance Right or as set out in Rule 14.3.

**Exercise Price** means the amount (if any) which is payable on the exercise of a Qualifying Performance Right, as determined by the Board and set out in the invitation made in respect of the Performance Right under Rule 3.1. If no determination is made, the applicable Exercise Price is nil.

**Former Employee** means a person who was formerly an Employee.

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

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

**Non-Qualifying Performance Right** means a Performance Right which is not a Qualifying Performance Right.

**Participant** means an Employee or Former Employee who holds a Performance Right.

**Performance Period** means, in relation to a Performance Right, the financial year of Codan or other period determined by the Board in respect of which the Board will assess the performance of the Participant or the Codan Group, or both (as applicable) against the performance hurdles specified in the invitation made in relation to that Performance Right under Rule 3.1.

**Performance Right** means a right to acquire a Share (by transfer or issue at the election of Codan) granted under the Plan subject to the Rules.

**Plan** means the Codan Performance Rights Plan established and operated under these Rules.

**Qualifying Performance Right** means a Performance Right which is exercisable under these Plan Rules.

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

**Restriction Period** means the period that a Share acquired by a Participant cannot not be disposed of, or dealt with in any way, by that Participant pursuant to Rule 10.2.

**Rules** means these rules, adopted by the Board on *24 September 2004*, as amended from time to time.

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

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

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