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# FBuShare

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# Plan Rules

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## Contents

	Page		Page
<b>1. Definitions and Interpretation</b>	<b>1</b>	<b>11. Administration of the Plan</b>	<b>11</b>
1.1 Definitions	1	11.1 Company powers	11
1.2 Interpretation	3	11.2 Legal and administrative constraints and sub-plans	11
<b>2. Invitation and application</b>	<b>4</b>	11.3 Limitation on amendments	11
2.1 Invitation	4	11.4 Company's discretion	11
2.2 Number or value of Shares	4	11.5 Error correction	12
2.3 Application and acceptance	4	<b>12. Overriding Restrictions</b>	<b>12</b>
2.4 Personal nature	4	12.1 General	12
2.5 Existing Participants	4	12.2 5% and 3% limits	12
<b>3. Plan Shares and Phantom Shares</b>	<b>5</b>	12.3 Issues to Nominee	12
3.1 Purchased Shares and Additional Shares	5	12.4 Restrictions on dealing	12
3.2 Funding of Purchased Shares and Phantom Purchased Shares	5	<b>13. No compensation or damages</b>	<b>12</b>
3.3 Advice to Participants	5	13.1 Terms of employment not affected	12
3.4 Shareholder entitlements - Purchased Shares and Additional Shares	5	13.2 No right to compensation	12
3.5 Transaction costs	6	<b>14. Withholding</b>	<b>12</b>
3.6 Listing	6	<b>15. Notices</b>	<b>13</b>
3.7 Consequences of selling	7	15.1 Validity of notice	13
<b>4. Restriction on disposal</b>	<b>7</b>	15.2 Receipt of notice	13
4.1 Restriction period and other conditions	7	<b>16. Miscellaneous</b>	<b>13</b>
4.2 Enforcement of restriction period	7	16.1 Disputes	13
4.3 Other restrictions on resale	7	16.2 Termination	13
<b>5. Award Shares</b>	<b>7</b>	16.3 Suspension	13
<b>6. Vested Shares</b>	<b>8</b>	16.4 Costs	14
<b>7. Use of trust or Nominee</b>	<b>8</b>	16.5 Attorney	14
7.1 Establishment of a trust or Nominee	8	16.6 Connection with other plans	14
7.2 Application of trust to Participants resident in the US	8	16.7 Waiver	14
7.3 Settling funds on the trust	8	16.8 Severance	14
<b>8. Cessation of employment</b>	<b>9</b>	<b>17. Governing law</b>	<b>14</b>
8.1 Purchased Shares, Phantom Purchased Shares, Additional Shares and Phantom Additional Shares	9	<b>Appendix: Restrictions on Sale USA and Canada</b>	<b>15</b>
8.2 Award Shares and Phantom Award Shares	9		
8.3 Group Company	9		
8.4 Refund of balance	9		
<b>9. Phantom Shares</b>	<b>9</b>		
<b>10. Corporate actions</b>	<b>10</b>		
10.1 Reconstructions	10		
10.2 Change of control	10		
10.3 Mergers etc	10		



## Purpose

The purpose of the Plan is to offer employees of Group Companies the opportunity to acquire Shares in the Company.

It is intended that Employees will acquire a number of Shares in the Company that will, after being held for a specific period, entitle those Employees to receive additional Shares in the Company for no further consideration, provided they remain employed within the Group.

The Company may also invite Employees who reside in a particular jurisdiction to acquire Phantom Purchased Shares instead of Purchased Shares, for example where it is necessary for legal or tax reasons. This effectively means that these Employees will receive the cash equivalent of the benefits of the Plan, rather than holding Shares in Fletcher Building.

The participation of an Employee in the Plan is wholly voluntary and in particular, no Employee shall be required to purchase Shares in expectation of the Employee's appointment, employment or engagement, or continued appointment, employment or engagement by a Group Company.

## 1. Definitions and interpretation

### 1.1 Definitions

In these Plan Rules:

**Additional Share** means:

- (a) a Dividend Share; and
- (b) a Share acquired by a Participant in accordance with rule 3.4(c).

An Additional Share shall cease to be such when:

- (c) it is sold, disposed of or otherwise transferred by a Participant before the Award Conditions are met; or
- (d) Award Shares are issued or allocated to the Participant in respect of that Additional Share;

**Application** means an application by an Employee to participate in the Plan following receipt of an Invitation, in accordance with the terms of the Invitation and in the form accompanying or referred to in the Invitation;

**ASIC** means Australian Securities and Investments Commission;

**ASX** means ASX Limited (ARBN 98 008 624 691) or, as the context requires, the financial market known as the "Australian Securities Exchange" operated by that entity;

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

**Award Conditions** means the following conditions which

a Participant must satisfy in order to be entitled to receive Award Shares under rule 5 or Phantom Award Shares under rule 9 (as applicable):

- (a) the Participant must hold the Purchased Shares or Phantom Purchased Shares (as applicable) for the whole of the relevant Qualification Period;
- (b) the Participant must remain an Employee at all times until, and including, the last day of the relevant Qualification Period; and
- (c) any other conditions determined by the Company from time to time and notified to the Participant;

**Award Share** means a Share to which a Participant becomes entitled pursuant to rule 5(a) upon satisfaction of the Award Conditions;

**Board** means the board of the Company or a committee appointed by that board and, where the context permits in relation to anything required or permitted to be done by the board of the Company under these Plan Rules, any individual duly authorised by the board;

**Company** means Fletcher Building Limited (NZX code: FBU; ASX code: FBU), NZ Company No. 1104175 and ARBN 096 046 936 of Fletcher House, 810 Great South Road, Penrose, Auckland, New Zealand, 1061;

**Control** means:

- (a) the power to control the composition of the Board;
- (b) the power to exercise more than one half of the voting rights in the Company; or
- (c) holding or controlling more than one half of the issued Shares in the capital of the Company;

**Dividend Programme** means the arrangement established by the Company whereby, at the Company's election, dividends paid in relation to Shares held in the Plan will be reinvested in Shares;

**Dividend Share** means a Share acquired by a Participant pursuant to the Dividend Programme in respect of:

- (a) Purchased Shares; and
- (b) any Additional Shares, held in the Plan;

**Employee** means a permanent full-time or permanent part-time employee of a Group Company, excluding directors of the Company, who the Company, in its discretion, determines to be eligible to participate in the Plan provided that an employee shall not be eligible to apply to participate in the Plan after the employee has given or been given notice terminating their employment (unless the Company in its discretion considers the

circumstances to be exceptional);

**Good Leaver** means a Participant who ceases employment with a Group Company (subject to rule 8.3) in circumstances approved by the Company for the purposes of the Plan which may, without limiting the discretion of the Company, include:

- (a) death;
- (b) illness, injury, or disability;
- (c) redundancy;
- (d) retirement (the fact of retirement being determined by the Company in its absolute discretion);
- (e) because their employment is with a company which ceases to be a Group Company; or
- (f) where their employment relates to a business or a part of a business which is transferred to a person who is not a Group Company;

**Group** means the Company and each Group Company;

**Group Company** means:

- (a) the Company;
- (b) any wholly-owned Subsidiary of the Company;
- (c) any other Subsidiary of the Company which the Company has determined to be a Group Company for the purposes of these Plan Rules; and
- (d) any other company or entity determined by the Company to be a Group Company for the purposes of these Plan Rules;

**Invitation** means the invitation under rule 2.1 to participate in the Plan;

**Listing Rules** means the ASX Listing Rules and/or the NZSX Listing Rules as applicable, as amended from time to time;

**Nominee** means the person (if any) appointed from time to time by the Company to hold Purchased Shares, Additional Shares and/or Award Shares, as bare trustee and nominee for Participants;

**Notional Value** means, in relation to a Phantom Share, the value equivalent to a Share as determined in the manner described in the Invitation;

**NZSX** means the main equity security market operated by NZX Limited or any alternative or substitute market for shares or other arrangement in New Zealand on or through which shares may be freely traded and which is generally regarded as the principal such market or arrangement for the trading of shares in New Zealand;

**NZSX Listing Rules** means the listing rules of the NZSX;

**NZX** means NZX Limited;

**Participant** means an Employee whose application to acquire Purchased Shares and participate in the Plan has been accepted by the Company;

**Phantom Additional Share** means:

- (a) a Phantom Dividend Share; and
- (b) a Phantom Share granted to a Participant under rule 9(a)(iii).

A Phantom Additional Share ceases to be such:

- (c) if written notice to realise the value of that Phantom Additional Share is given by the Participant to the Plan Administrator and payment of a cash amount equal to the Notional Value of that Phantom Additional Share is made in accordance with rule 9(d) before the Award Conditions are met; or
- (d) when Phantom Award Shares are granted to the Participant in respect of that Phantom Additional Share;

**Phantom Award Share** means an award granted under rule 9(c)(i) as a proxy for an Award Share;

**Phantom Dividend Share** means an interest granted under rule 9(a)(ii) as a proxy for a Dividend Share;

**Phantom Purchased Share** means an interest granted under rule 9(a)(i) as a proxy for a Purchased Share, but excludes a Phantom Award Share and a Phantom Additional Share. A Phantom Purchased Share ceases to be such:

- (a) if written notice to realise the value of that Phantom Purchased Share is given by the Participant to the Plan Administrator and payment of a cash amount equal to the Notional Value of that Phantom Purchased Share is made in accordance with rule 9(d) before the Award Conditions are met; or
- (b) when Phantom Award Shares are granted to the Participant in respect of that Phantom Purchased Share;

**Plan** means the Fletcher Building employee share plan as set out in these Plan Rules;

**Phantom Share** means a Phantom Purchased Share, a Phantom Additional Share and a Phantom Award Share;

**Plan Administrator** means the person or organisation having responsibility for administration of the Plan;

**Plan Rules** means these rules of the Plan, as amended from time to time;

**Plan Window** means the period, specified by the Company, during which:



(a) Employees may make an Application to participate in the Plan; and

(b) Participants may give a Variation Notice;

**Plan Year** means the 12 month period commencing on 1 April each year, or such other date as may be specified by the Company;

**Purchased Share** means a Share acquired by a Participant under the Plan, but excludes an Award Share and an Additional Share. A Purchased Share shall cease to be such when:

(a) it is sold, disposed of or otherwise transferred by a Participant before the Award Conditions are met; or

(b) Award Shares are issued or allocated to the Participant in respect of that Purchased Share;

**Qualification Period** means:

(a) for a Share, the period commencing at the beginning of the Plan Year during which the Share was acquired under the Plan and ending on the relevant date specified for that Share under rule 5; and

(b) for a Phantom Share, the same period as if the Participant had held Shares instead of Phantom Shares;

**Ratio** means the number of:

(a) Award Shares to be allocated or issued to a Participant for each Purchased Share and Additional Share;

(b) Phantom Award Shares to be granted to a Participant for each Phantom Purchased Share and Phantom Additional Share,

such ratio not to exceed 1:1;

**Record Date** means the time specified by the Company as the date by reference to which the Company will establish share/securities holding balances for the purpose of identifying the persons entitled to the benefit of a dividend or other corporate actions;

**Share** means a fully paid ordinary share in the capital of the Company and includes a Purchased Share, an Additional Share and an Award Share;

**Subsidiary** means a subsidiary of the Company within the meaning of sections 5 to 8 of the Companies Act 1993, read as if the word "company" in those sections referred to any body corporate wherever incorporated, and includes any company or body corporate or association of persons that is classified as a subsidiary in any financial reporting standard applicable to the Company;

**Variation Notice** means written notice by a Participant given during a Plan Window electing to:

(a) withdraw from the Plan;

(b) suspend investment in the Plan; or

(c) alter the level of investment in the Plan.

## 1.2 Interpretation

In these Plan Rules, the following apply unless a contrary intention appears:

(a) headings are inserted for convenience only and do not affect the interpretation of these Plan Rules unless the context requires otherwise;

(b) any reference in these Plan Rules to any enactment or the Listing Rules includes a reference to that enactment or those Listing Rules as from time to time amended, consolidated, re-enacted or replaced and to all regulations or instruments issued under it;

(c) the singular implies the plural and the converse;

(d) words imparting gender include all genders;

(e) where any word or phrase is defined, its other grammatical forms have corresponding meaning;

(f) if a defined term has a meaning given under the act of the jurisdiction pursuant to which the Company is registered, that meaning applies for the purposes of these Plan Rules;

(g) a reference to a power, right or discretion being exercisable by the Board or the Company is taken to be a reference to that power, right or discretion being exercisable by a delegate of the Board or the Company;

(h) a reference to Purchased Shares, Additional Shares and/or Award Shares being acquired includes a reference to those shares being acquired or subscribed by, or allocated to, a Participant, the Company or another person on behalf of or for a Participant under these Plan Rules;

(i) a reference to Phantom Purchased Shares, Phantom Additional Shares and/or Phantom Award Shares being granted to a Participant includes a reference to the granting of that share or interest to a Participant, the Company or another person on behalf of or for a Participant;

(j) a reference to a rule or Appendix is a reference to a rule of, or Appendix to, this Plan;

(k) a reference to an agreement or document is to the agreement or document as amended from time to time;

(l) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;

(m) a reference to writing includes a facsimile transmission and any visible means of reproducing words in a

tangible form, including by email;

- (n) a reference to conduct includes an omission, statement or undertaking, whether or not in writing; and
- (o) mentioning anything after include, includes or including does not limit what else might be included.

## 2. Invitation and application

### 2.1 Invitation

- (a) The Company may, from time to time, at its discretion, make Invitations to Employees to participate in the Plan. Invitations shall be made in writing which may be by way of a physical document or documents or by way of electronic, internet or email communication.
- (b) An Invitation may be upon the terms and subject to any restrictions that the Company decides, but such terms and restrictions must be in accordance with any applicable requirements of the Listing Rules and any applicable law.
- (c) The Company may amend or withdraw the Invitation at any time prior to the final date for receipt of Applications specified in the Invitation.
- (d) Without in any way limiting the Company's discretion, an Invitation should include, or be accompanied by, or make reference to documentation containing, the following information:
  - (i) the maximum value and minimum value of Purchased Shares or Phantom Purchased Shares (as the case may be) that a Participant may acquire or be granted (as the case may be) under the Plan per annum using contributions made by a Participant during a Plan Year;
  - (ii) the method for determining the price (if any) at which Purchased Shares or Phantom Purchased Shares (as the case may be) will be acquired by Participants and how payment may be made;
  - (iii) the Plan Year and Qualification Period;
  - (iv) the Award Conditions then applying;
  - (v) the Ratio;
  - (vi) if relevant, the method for determining the Notional Value of a Phantom Share and the cash payment to be made in respect of that Phantom Share;
  - (vii) these Plan Rules;
  - (viii) details of the Plan Window and the actions an Employee and/or Participant may take during each Plan Window, including the giving of a Variation Notice;
  - (ix) a description of the Dividend Programme, if any, then applying;

- (x) any other material terms and conditions which apply to the Invitation, the Purchased Shares, the Additional Shares, the Award Shares, the Phantom Purchased Shares, the Phantom Additional Shares or the Phantom Award Shares; and

- (xi) any other information or documents that the Listing Rules or other applicable laws require the Company to give to the Employee.
- (e) The Invitation shall be issued with such explanatory or other material in respect of the Plan as the Company considers appropriate, or as required by law and shall specify how Employees can make an Application.

### 2.2 Number or value of Shares

- (a) The Company may determine, in its discretion, the number or value of Purchased Shares or Phantom Purchased Shares (as the case may be) that may be acquired by or granted to (as the case may be) any Employee and any particular groups of Employees in a particular period.
- (b) The number or value of Shares or Phantom Shares that may be acquired by or granted to (as the case may be) any Employee will be subject to the laws of the jurisdiction(s) which govern an Employee's participation in the Plan.
- (c) The Company may scale back an Employee's participation in the Plan without prior notice to the Employee in order to ensure compliance with the laws of the jurisdiction(s) which govern an Employee's participation in the Plan.

### 2.3 Application and acceptance

- (a) An Employee may apply to participate in the Plan only by completing such forms in such manner and doing such things as are set out in the Invitation before the end of the relevant Plan Window. The Company may allow for Applications and Variation Notices to be made by the completion of a physical form or by completing an electronic, internet or email based document online.
- (b) The Company may accept or reject any Application in its discretion, without assigning any reason.
- (c) If, on receipt by the Company of a duly completed Application in accordance with rule 2.3(a), the Employee's employment or appointment with the Group has not ceased and the Company has not rejected the Application under rule 2.3(b), the Employee:
  - (i) offers to participate and acquire Shares or Phantom Shares (as the case may be) in accordance with the Invitation;

- (ii) agrees to be bound by the terms of the Invitation, the Application, these Plan Rules, the constitution of the Company and, where Shares are held by a Nominee on behalf of a Participant, the terms of any relevant agreement with the Nominee;
  - (iii) consents to the collection, collation, holding, use, processing, disclosure, retention, exchange and transfer of their personal data by the Group for any purpose related to the proper administration of the Plan; and
  - (iv) subject to rule 2.3(d), becomes a Participant.
- (d) Notwithstanding any other provision of these Rules, a Participant has no right to acquire Shares under the Plan until such Shares are purchased and allocated, or issued and allotted, on behalf of the Participant in accordance with these Plan Rules.
- (e) If the Company determines not to accept an Application, the Company shall provide notification to that Employee that it does not wish to accept that Employee's Application, and the Invitation to that Employee, and the Application by that Employee in relation to that Invitation, shall be deemed never to have been made.

## 2.4 Personal nature

An Employee may only apply to participate in the Plan in his or her own name. An Employee may not transfer to any other person the right to apply for Purchased Shares, Phantom Purchased Shares, Additional Shares or Phantom Additional Shares or the right to receive Award Shares or Phantom Award Shares.

## 2.5 Existing Participants

- (a) Subject to rule 16.3, once a Participant has been accepted into the Plan, that Participant shall continue to participate in the Plan in respect of each such subsequent Plan Year on the same basis as initially elected by the Participant unless the Participant gives a Variation Notice during a Plan Window, in which case the varied terms shall apply from the beginning of the Plan Year following the Variation Notice provided that they are within the terms of the Plan, including maximum and minimum investment amounts.
- (b) If the Company has given notice prior to a Plan Window of an amendment to one or more terms of the Plan (in accordance with these Plan Rules), and the Participant's participation in the Plan conflicts with the new Plan terms, and the Participant does not elect to amend their participation in the Plan by the end of the Plan Window immediately following the announcement

by the Company of the amended Plan terms, then the Company may unilaterally amend the Participant's participation in the Plan on such basis as the Company thinks fit and give written notice to the Participant of that changed participation.

## 3. Plan Shares and Phantom Shares

### 3.1 Purchased Shares and Additional Shares

Shares that are to be acquired by a Participant may be:

- (a) existing Shares that have been previously allotted by the Company whether purchased on the ASX or NZSX or otherwise; or
- (b) new Shares to be issued by the Company, as determined by the Company from time to time.

### 3.2 Funding of Purchased Shares and Phantom Purchased Shares

- (a) The Company may establish the method for determining the price at which Purchased Shares or Phantom Purchased Shares (as the case may be) will be acquired by Participants.
- (b) Subject to rule 3.5, Participants must fund and pay in full the cost of acquiring the Purchased Shares or Phantom Purchased Shares (as the case may be).
- (c) Participants must fund and pay for the Purchased Shares or Phantom Purchased Shares (as the case may be) by requesting the relevant Group Company to make payroll deductions from their after-tax salary unless some other payment method is specified in the Invitation.

### 3.3 Advice to Participants

The Company will establish or cause to be established a system to permit a Participant to obtain details of the number of Purchased Shares and Additional Shares that he or she has acquired or Phantom Purchased Shares or Phantom Additional Shares that he or she has been granted (as the case may be) and the maximum number of conditional rights to Award Shares or Phantom Award Shares attached to those Purchased Shares and Additional Shares or Phantom Purchased Shares and Phantom Additional Shares (as the case may be) from time to time.

### 3.4 Shareholder entitlements - Purchased Shares and Additional Shares

Subject to these Plan Rules, a Participant is absolutely entitled to each Purchased Share and each Additional Share acquired by that Participant and will be entitled to:

- (a) **(voting rights)** exercise the voting rights attaching

to their Purchased Shares and Additional Shares and standing to the account of that Participant at the Record Date either generally or in respect of a particular resolution, and where such Purchased Shares and Additional Shares are held by a Nominee, the voting rights will be exercised by giving a direction to the Nominee;

- (b) **(dividends)** receive the benefit of any dividend or other distribution paid by the Company in respect of the Purchased Shares and Additional Shares which, at the Record Date for determining entitlement to those dividends or other distributions, are held by the Participant in the Plan. Where a Participant participates in the Dividend Programme, the Participant shall, unless the Company determines otherwise, acquire Dividend Shares with the net cash dividends to which that Participant is entitled pursuant to the Dividend Programme;
- (c) **(capital reorganisation)** participate in any corporate action or capital re-organisation involving their Purchased Shares and Additional Shares at such time, including as follows:
  - (i) **(bonus Shares)** any bonus Shares which are issued by the Company in respect of Purchased Shares and Additional Shares that, at the relevant Record Date are held by a Participant, shall be credited to that Participant;
  - (ii) **(rights issues)** if the Company announces a rights issue:
    - (A) the Company will notify each Participant who holds an interest in Purchased Shares and Additional Shares under the Plan of any rights to acquire Shares or other securities (**Rights**) to be issued or offered by the Company which accrue to the Participant's Purchased Shares and Additional Shares;
    - (B) if the Rights are renounceable, the Company (or the Nominee on the Company's behalf) will offer for sale all of the Rights on behalf of each Participant and, unless the Company determines otherwise, use the proceeds of sale (after deduction of the costs of sale incurred by the Company) to acquire more Shares, which Shares will be credited to the relevant Participant;
    - (C) a Participant shall not be entitled to exercise any Rights, whether renounceable or non-renounceable, accruing in relation to Purchased Shares and Additional Shares held in accordance with these Plan Rules;
    - (D) for the avoidance of doubt, if the Rights are non-

renounceable (which includes a share purchase plan), a Participant may not exercise those Rights and may not trade, sell or otherwise deal with such Rights, and such Rights shall lapse;

- (iii) **(Additional Shares)** Shares acquired in accordance with paragraphs (i) and (ii) of this rule 3.4(c) shall be deemed to be Additional Shares and, as such, shall:

- (A) be subject to the same restrictions, if any, as apply under rule 4 to; and

- (B) provided that the Award Conditions are met, be entitled to Award Shares in accordance with rule 5 at the end of the Qualification Period applying to,

the relevant Purchased Shares and Additional Shares which gave rise to the bonus Shares and/or Rights. In the event that the bonus Shares and/or Rights relate to Purchased Shares or Additional Shares acquired over more than one Plan Year, the Company will decide on what it considers to be an appropriate allocation to each Plan Year for the purposes of determining when Participants will be entitled to Award Shares on the Additional Shares acquired in accordance with paragraphs (i) and (ii) of this rule 3.4(c);

- (d) **(sell)** sell, transfer, or otherwise dispose of some or all of their Purchased Shares and Additional Shares, subject to any restriction imposed under rule 4.1 as applying under the laws of any relevant jurisdiction,

from the date the Purchased Shares or Additional Shares, as relevant, are acquired by the Participant.

### 3.5 Transaction costs

The Company is authorised, but not required, to bear all brokerage, commission, stamp duty or other transaction costs payable in relation to the acquisition of Shares (whether Purchased Shares, Additional Shares or Award Shares) by or on behalf of the Participants under the Plan, and, subject to applicable laws, may provide financial assistance to the Participants in connection with the acquisition of Purchased Shares, Additional Shares or Award Shares (as the case may be).

### 3.6 Listing

Following the issue of any new Shares under this Plan, the Company will, where shares in the same class as the newly issued Shares are quoted on the ASX or NZSX (if required by the relevant Listing Rules), apply to ASX or NZX (as determined by the Company) for quotation of those Shares as soon as practicable and in accordance with the Listing Rules.



### 3.7 Consequences of selling

- (a) If a Participant sells or otherwise disposes of some or all of their Purchased Shares or Additional Shares prior to the Award Conditions being satisfied with respect to such Shares, the Participant will lose their right to receive all Award Shares in relation to the Purchased Shares and Additional Shares that are sold or otherwise disposed of.
- (b) If, in accordance with rule 9(d), a Participant realises the value of some or all of their Phantom Purchased Shares or Phantom Additional Shares prior to the Award Conditions being satisfied with respect to such Shares, the Participant will lose their right to receive all Phantom Award Shares in relation to such Phantom Purchased Shares and Phantom Additional Shares.

## 4. Restriction on disposal

### 4.1 Restriction period and other conditions

Subject to rule 11.3:

- (a) the Company may, in its discretion, determine that a restriction period or other conditions will apply to some or all of the Purchased Shares, the Phantom Purchased Shares, the Additional Shares, the Phantom Additional Shares, the Award Shares and/or the Phantom Award Shares (as the case may be), and may determine the terms and conditions applying to any such restriction period or other conditions;
- (b) if the Company determines a restriction period, a Participant must not dispose of or otherwise deal, or purport to deal, with, or realise the value of, any Purchased Shares, Phantom Purchased Shares, Additional Shares, Phantom Additional Shares, Award Shares and/or Phantom Award Shares (or entitlement to Award Shares and/or Phantom Award Shares) (as the case may be) which are subject to a restriction period otherwise than in accordance with any process determined by the Company for the withdrawal of Shares from the Plan;
- (c) if the Company determines that no such restriction period applies, or does not impose such a restriction period, a Participant may deal with those Shares or Phantom Shares or those entitlements subject to rule 4.1(d) and the Company's securities trading policy; and
- (d) if the Company imposes another condition in accordance with rule 4.1(a), a Participant must satisfy that condition.

### 4.2 Enforcement of restriction period

The Company may implement any procedure that it considers appropriate to restrict a Participant from dealing with any Shares or Phantom Shares acquired by a Participant for as long as those Shares are subject to a restriction period.

### 4.3 Other restrictions on resale

Set out in the Appendix to these Plan Rules are restrictions on resale of the Shares offered under the Plan which apply in the United States of America and Canada.

## 5. Award Shares

- (a) Subject to rules 3.7, 4.1(b) and 4.1(d), upon satisfaction of the Award Conditions a Participant becomes absolutely entitled to Award Shares in the Ratio advised in the Invitation pursuant to rule 2.1 or notified by the Company pursuant to rule 5(b) for:

- (i) each Purchased Share which:
  - (A) was acquired in respect of contributions made during the first year of the Qualification Period; and
  - (B) is still held on the date that is the third anniversary of the commencement of the Plan Year during which the Purchased Share was acquired under the Plan;
- (ii) each Dividend Share which:
  - (A) was acquired using dividend payments for which the Record Date fell within the first year of the Qualification Period; and
  - (B) is still held on the date that is the third anniversary of the commencement of the Plan Year during which the Record Date referred to in rule 5(a)(ii)(A) occurred;
- (iii) each Additional Share (which is not a Dividend Share) which:
  - (A) was acquired in accordance with paragraphs (i) and (ii) of rule 3.4(c) in respect of any Purchased Shares or Dividend Shares; and
  - (B) is still held on the date that an entitlement to an Award Share has arisen under either (i) or (ii) of this rule 5(a) in respect of those Purchased Shares or Dividend Shares,subject to the Company determining an alternative allocation and Qualification Period for that Additional Share in accordance with rule 3.4(c)(iii).

The Company shall cause the Award Shares to be allocated or issued to the Participant as soon as practicable, and, subject to rule 4.1 and the

Company's securities trading policy, in any event no later than 30 days after the entitlement to the Award Shares arises under this rule 5(a).

- (b) The Company may by written notice to each Participant at any time prior to a Plan Window notify Participants of a revised Ratio provided that such revised Ratio shall only apply to Purchased Shares, Additional Shares, Phantom Purchased Shares or Phantom Additional Shares acquired by or granted to (as the case may be) the Participant following the end of that Plan Window.
- (c) Unless the Company determines otherwise and subject to the Listing Rules, a Participant is not legally or beneficially entitled to an Award Share prior to satisfaction of the Award Conditions and will only become entitled to vote, receive dividends and participate in any corporate actions affecting the Award Shares after the Award Conditions have been satisfied and the Award Shares have been allocated or issued (as the case may be) to the Participant.
- (d) If there is a corporate action which materially varies the share capital or capital structure of the Company (whenever it occurs) or there is a dividend in specie or demerger affecting a Group Company (other than as described in rule 3.4(c)), the Company may make any such adjustments to the conditional rights to Award Shares or Phantom Award Shares (as the case may be) as may be considered fair and equitable in the opinion of the Company.
- (e) In the case of Participants resident in California, no conditional rights to Award Shares or Phantom Award Shares shall attach to Purchased Shares, Additional Shares, Phantom Purchased Shares or Phantom Additional Shares until and unless a resolution approving the Plan has been adopted by a majority of the Company's shareholders entitled to vote in respect of such resolution.

## 6. Vested Shares

Once an Award Share has been allocated or issued to a Participant:

- (a) such Award Share and the Purchased Shares and Additional Shares to which such Award Share relates (together the **Vested Shares**) will cease to be eligible for Award Shares;
- (b) the Vested Shares may continue to be held by the Nominee if and for so long as permitted by the Company, until such time as the Participant elects to withdraw, sell or transfer such Shares by notice to the Plan Administrator in accordance with rule 15 of these

Plan Rules; and

- (c) all of the provisions of these Plan Rules continue to apply to the Vested Shares as if they were Purchased Shares except that the Vested Shares will not be entitled to Award Shares under rule 5.

## 7. Use of trust or Nominee

### 7.1 Establishment of a trust or Nominee

- (a) The Company may at any time determine how Purchased Shares, Additional Shares and Award Shares are to be held under the Plan prior to satisfaction of the Award Conditions.
- (b) Without limiting the Company's discretion, the Company may:
  - (i) establish a trust at any time without requiring the approval of shareholders or Participants, for the purposes of the Plan to hold the Purchased Shares, Additional Shares and Award Shares, and may appoint a person or persons as the trustee of the trust and replace the trustee without requiring the approval of shareholders or Participants; or
  - (ii) appoint a person or persons as the Nominee and replace the Nominee, without requiring the approval of shareholders or Participants.
- (c) Subject to the terms of any trust deed which governs the trust, or any agreement which governs the Nominee's appointment, and these Plan Rules, the trustee or Nominee (as applicable) may transfer any Shares it holds as trustee or Nominee (as applicable) to a Participant in satisfaction of their entitlement to receive Purchased Shares, Additional Shares and/or Award Shares.

### 7.2 Application of trust to Participants resident in the US

- (a) Pursuant to this rule 7, in no event will any Shares be held in trust for a Participant resident in the US other than on the day of distribution to that Participant, and the Shares acquired by Participants resident in the US pursuant to rule 3.2 will not be held in trust, but instead will be held in a nominee account outside the trust; such account will have the entitlements described in rule 3.4.
- (b) Nothing in this rule 7.2 applies to Participants who are not resident in the US and the Company retains the right at any time to satisfy its obligations under this Plan without the use of a trust.

### 7.3 Settling funds on the trust

If the Company elects to establish a trust in accordance with rule 7.1(b)(i), the Company may settle funds on the

trustee for the purposes of enabling the trustee to either acquire Shares, or subscribe for new Shares to be issued by the Company, to satisfy the Company's obligation to deliver Purchased Shares, Additional Shares and/or Award Shares.

## 8. Cessation of employment

### 8.1 Purchased Shares, Phantom Purchased Shares, Additional Shares and Phantom Additional Shares

Where a Participant ceases to be an Employee:

- (a) the Participant shall immediately cease to be eligible to apply to participate in the Plan;
- (b) the Participant shall immediately cease to participate in the Plan and no further Purchased Shares, Phantom Purchased Shares, Additional Shares or Phantom Additional Shares may be acquired by that Participant;
- (c) any restriction period imposed under rule 4.1 also ceases;
- (d) the Participant shall do all things required by the Company to have all Shares held under the Plan transferred to the Participant, failing which the Company may direct that the Shares be sold and proceeds remitted to the Participant; and
- (e) where a Participant holds Phantom Shares, the Participant shall do all things required by the Company to have the Notional Value of such Phantom Shares paid to the Participant.

### 8.2 Award Shares and Phantom Award Shares

- (a) A Participant (other than a Good Leaver) who ceases to be an Employee prior to becoming entitled to Award Shares or Phantom Award Shares (as the case may be) in accordance with rule 5(a) or rule 9(c) (respectively) loses all conditional rights to the Award Shares or Phantom Award Shares (as the case may be).
- (b) A Participant who is a Good Leaver may, at the Company's absolute discretion, be entitled to all or some of the Award Shares or Phantom Award Shares (as the case may be):
  - (i) upon the Good Leaver ceasing to be an Employee; or
  - (ii) where the Good Leaver ceases to be an Employee during a period when the Company's securities trading policy, or relevant laws, prohibits them from trading Shares, upon the first day after the end of that prohibited period.
- (c) Without limiting the Company's discretion:
  - (i) the number of Award Shares to which a Good Leaver may be entitled under rule 8.2(b) will, in general, be determined based on:

- (A) the number of Purchased Shares and Additional Shares held by or on behalf of the Participant at the time the Good Leaver ceases to be an Employee;
  - (B) the Ratio of Award Shares specified in the Invitation relating to those Purchased Shares and Additional Shares or as altered by the Company from time to time by notification to the Participant; and
  - (C) the proportion of the Qualification Period for which the Purchased Shares and Additional Shares have been held; and
- (ii) the value of the Phantom Award Shares to which a Good Leaver may be entitled under rule 8.2(b) will, in general, be determined based on:
    - (A) the number of Phantom Purchased Shares and Phantom Additional Shares held by or on behalf of the Participant at the time the Good Leaver ceases to be an Employee;
    - (B) the Ratio of the Phantom Award Shares specified in the Invitation relating to those Phantom Purchased Shares and Phantom Additional Shares or as altered by the Company from time to time by notification to the Participant; and
    - (C) the proportion of the Qualification Period for which the Phantom Purchased Shares and Phantom Additional Shares have been held.

### 8.3 Group Company

A Participant will not be treated for the purposes of this rule 8 as leaving the employment (whether as a director or employee) of a Group Company until they are no longer an employee of any of the Group Companies.

### 8.4 Refund of balance

If upon ceasing to be an Employee, there is an amount paid by or on behalf of a Participant to the Company or to the Plan Administrator under rule 3.2 which has not been used to acquire Purchased Shares or Phantom Purchased Shares, that amount shall be refunded to the Participant.

## 9. Phantom Shares

- (a) The Company may, at its discretion, invite one or more Employees in a particular jurisdiction to acquire Phantom Purchased Shares instead of Purchased Shares, and choose to grant Phantom Award Shares instead of Award Shares. Phantom Purchased Shares will normally only be made available to Employees in jurisdictions where, because of local laws and/or exchange control provisions, it is in the view of the Company difficult, administratively onerous or

impossible for Participants to acquire Shares.

- (i) The number of Phantom Purchased Shares granted to a Participant will be equal to the number of Purchased Shares that would have been acquired by the Participant had the Participant applied for Purchased Shares pursuant to the Invitation.
  - (ii) The number of Phantom Dividend Shares granted to a Participant in respect of Phantom Purchased Shares and Phantom Additional Shares will be equal to the number of Dividend Shares that would have been acquired by that Participant if they had held the equivalent number of Purchased Shares and Additional Shares.
  - (iii) The number of Phantom Additional Shares (other than Phantom Dividend Shares) granted to a Participant in respect of Phantom Purchased Shares and Phantom Additional Shares will be equal to the number of Additional Shares that would have been acquired by that Participant under rule 3.4(c) if they had held the equivalent number of Purchased Shares and Additional Shares.
- (b) Unless otherwise specified by the Company in the Invitation, subject to rule 2.1 the terms of the Phantom Purchased Shares and Phantom Additional Shares will be the same as the Purchased Shares and Additional Shares (as the case may be) except that, instead of Award Shares, a holder of a Phantom Purchased Share will be granted a Phantom Award Share in the Ratio advised in the Invitation.
- (c) Subject to rules 3.7, 4.1(b) and 4.1(d), upon satisfaction of the Award Conditions a Participant becomes absolutely entitled to:
- (i) Phantom Award Shares in the same number and manner and at the same time as the Participant would have been entitled to Award Shares if the Participant had held Purchased Shares and Additional Purchased Shares instead of Phantom Purchased Shares and Phantom Additional Shares; and
  - (ii) a cash payment equal to the Notional Value (as determined in accordance with the manner advised in the Invitation) of such Phantom Award Shares and of the Phantom Purchased Shares and Phantom Additional Shares relating to such Phantom Award Shares.
- (d) A holder of Phantom Shares may realise the value of his or her Phantom Shares at any time before the Award Conditions are met by written notice to the Plan Administrator, subject to rule 4.1 and the Company's securities trading policy. Upon giving such written notice, the Participant shall be entitled to payment of

the cash amount equal to the Notional Value of the Phantom Shares for which notice is given. The holder of a Phantom Purchased Share, Phantom Additional Share or Phantom Award Share has no entitlement to Shares and any such holding does not confer any right to vote on its holder.

## 10. Corporate actions

### 10.1 Reconstructions

Subject to the Listing Rules and rules 3.4(c) and 5(d), if the Company reconstructs its capital in any way, Shares acquired under the Plan will be affected in the same way as other Shares.

### 10.2 Change of control

- (a) If any person obtains Control of the Company, the Company may, in its absolute discretion, determine in respect of some or all Purchased Shares, Phantom Purchased Shares, Additional Shares, Phantom Additional Shares and/or Award Shares and/or Phantom Award Shares (as the case may be) that:
- (i) any restrictions imposed in accordance with rule 4 cease; and
  - (ii) any Award Conditions that have not been satisfied as at the relevant time have been satisfied in whole or part, and, if the Company so determines, the Company will notify Participants accordingly.
- (b) For the purposes of this rule 10.2, a person is taken to have obtained Control of the Company if they and others acting in concert with them have obtained Control of it.

### 10.3 Mergers etc

If under Part 13 of the Companies Act the Company undertakes an amalgamation (other than a short form amalgamation), or if under Part 15 of the Companies Act 1993 the Court sanctions a compromise or arrangement (having substantially the same effect as a change of Control within rule 10.2 above), or if the Company passes a resolution for voluntary winding up, or if an order is made for the compulsory winding up of the Company, or in the event that the Company de-lists from NZX and ASX, the Company may, in its absolute discretion, determine in respect of some or all Purchased Shares, Phantom Purchased Shares, Additional Shares, Phantom Additional Shares, Award Shares and/or Phantom Award Shares (as the case may be) that:

- (a) any restrictions imposed in accordance with rule 4 cease; and



(b) any Award Conditions that have not been satisfied as at the relevant time have been satisfied in whole or part, and, if the Company so determines, the Company will notify Participants accordingly.

## 11. Administration of the Plan

### 11.1 Company powers

The Company will administer the Plan and may:

- (a) delegate to any person for the period and on the terms it decides the exercise of any of its powers or discretions under the Plan;
- (b) decide on appropriate procedures for administering the Plan, including the form and method of Application and other forms and notices to be issued under the Plan;
- (c) resolve conclusively all questions of fact or interpretation concerning the Plan and these Plan Rules and any dispute of any kind that arises under the Plan, including as to the interpretation of the Plan or any restrictions or other conditions relating to any Shares or Phantom Shares acquired or granted under the Plan, and the decision of the Company is final and binding upon all persons;
- (d) subject to the Listing Rules and applicable laws, amend, add to, replace or waive all or any of the provisions of the Plan or these Plan Rules (including this rule), or any restriction or other condition relating to any Shares or Phantom Shares acquired or granted under the Plan; and
- (e) waive any breach of a provision of the Plan.

### 11.2 Legal and administrative constraints and sub-plans

- (a) Despite any other rule, an Employee may not acquire Purchased Shares, Additional Shares, Phantom Purchased Shares or Phantom Additional Shares or be granted Award Shares or Phantom Award Shares under the Plan if it appears to the Company that doing so would contravene these Plan Rules, the Company's constitution, the Listing Rules or any law of a jurisdiction in which the Employee resides or, at the Company's discretion, would give rise to unreasonable cost or regulatory requirements for the Company. The Company may upon notice to a Participant terminate his or her participation in the Plan in any of the circumstances described in this rule 11.2(a) on such terms and subject to such conditions as the Company considers appropriate.
- (b) The Company may adopt rules of the Plan applicable in any jurisdiction (**Sub-Plans**) under which Shares or Phantom Shares are offered under the Plan or the

way in which the Plan is operated may be subject to additional or modified terms, having regard to any securities, exchange control or taxation laws or regulations or similar factors which may apply to an Employee or to any Group Company in relation to the Shares or any of the provisions of the Plan.

- (c) Where in the Company's opinion it is legally or administratively prohibitive or impractical for Employees in particular jurisdictions to participate in the Plan, the Company may (but is not required to) in its absolute discretion elect to implement an alternative plan to allow Employees located in those jurisdictions to participate.

### 11.3 Limitation on amendments

Subject to these Plan Rules, the Listing Rules and applicable laws, without the consent of the Participant, no amendment may be made to any restriction or other condition relating to:

- (a) any Purchased Shares, Additional Shares or Award Shares which reduces the rights of the Participant to those Shares; or
- (b) any Phantom Purchased Shares, Phantom Additional Shares and Phantom Award Shares which reduces the rights of the Participant to those Phantom Shares,

provided that this rule 11.3 shall not restrict the Company from electing to change the Award Conditions, Qualification Period, and the maximum and minimum value of Purchased Shares or Phantom Purchased Shares (as the case may be) that an Employee may acquire under the Plan per annum, where such changes are announced prior to a Plan Window and apply only to Purchased Shares or Phantom Purchased Shares acquired by a Participant in any Plan Year commencing after the end of that Plan Window.

### 11.4 Company's discretion

The Company has absolute and unfettered discretion:

- (a) to act or refrain from acting under these Plan Rules or concerning the Plan or any Shares or Phantom Shares acquired under the Plan;
- (b) in exercising any power or discretion concerning the Plan or any Shares or Phantom Shares acquired under the Plan; and
- (c) to vary a Participant's participation in the Plan (including the termination of such participation) upon request by that Participant, or to vary the application of these Plan Rules to a Participant.

## 11.5 Error correction

- (a) In the event that any error or mistake has been made in relation to:
- (i) the number or value of Shares the subject of:
    - (A) an Invitation; or
    - (B) any certificate or notification for Shares; or
  - (ii) the number or value of Phantom Shares the subject of:
    - (A) an Invitation; or
    - (B) any certificate or notification for Phantom Shares,
- that Invitation, certificate or notification, as the case may be, shall be null and void and of no effect to the extent of any such error or mistake and the Company may in its absolute discretion, correct such error or mistake, without the need to obtain consent from the relevant Employee or relevant Participant, by notice to that Employee or that Participant and, where appropriate, may issue an amended Invitation, certificate or notification.
- (b) The Company will notify the relevant Employee or Participant within a reasonable period after discovering and correcting the error or mistake.

## 12. Overriding Restrictions

### 12.1 General

Notwithstanding any other rule, the Company may elect not to transfer or issue Shares under the Plan, or terminate a Participant's involvement in the Plan if it is necessary to avoid a contravention of the Listing Rules or any applicable laws or where the compliance with any applicable law would in the opinion of the Company be unduly onerous or impractical. Where the Company exercises such discretion it shall in good faith and acting reasonably, seek to reimburse the Participant for any direct loss that would be suffered as a result of the Company's actions.

### 12.2 5% and 3% limits

No further Shares may be issued under the Plan if it would cause the Company to exceed:

- (a) the 5% limit in ASIC Class Order 03/184 (or if such limit is replaced, any limit specified by a regulatory authority from time to time to enable the Company to qualify for relief from any disclosure requirements under any law relating to the offer) if such limit is applicable;
- (b) the 3% annual limit for issuing equity securities to employees set out in the NZSX Listing Rules as such limit may be amended from time to time; or
- (c) such other limits as may apply from time to time under applicable laws or the Listing Rules.

## 12.3 Issues to Nominee

Any Shares which have been issued or which may be issued to the Nominee under the Plan or to satisfy awards under any other employee share plan adopted by the Company will be included for the purposes of the limits set out in rule 12.2 above to the extent any direct issue of the Shares to a Participant would be taken into account.

## 12.4 Restrictions on dealing

Notwithstanding any other rule, the Company may in its absolute discretion place any restriction on dealing in Shares under the Plan where such dealing would put the Company at risk of contravening the Listing Rules or any applicable laws.

## 13. No compensation or damages

### 13.1 Terms of employment not affected

- (a) The rights and obligations of a Participant under the terms of his or her office, employment or contract with a Group Company are not affected by his or her participation in the Plan.
- (b) These Plan Rules do not form part of, and will not be incorporated into, any contract of employment of a Participant notwithstanding that they are an employee of a Group Company.

### 13.2 No right to compensation

No Participant has any right to compensation or damages as a result of the termination of his or her office, employment or other contract with a Group Company for any reason (whether lawful or unlawful) in connection with the Participant ceasing to have rights under the Plan as a result of the termination.

## 14. Withholding

- (a) If any Group Company or other person elects, is obliged, or reasonably believes they have an obligation, as a result of or in connection with:
  - (i) the acquisition of any Purchased Shares, Phantom Purchased Shares, Additional Shares and/or Phantom Additional Shares by a Participant;
  - (ii) the grant of any Award Shares or Phantom Award Shares to a Participant;
  - (iii) the payment of an amount equivalent to a Purchased Share, Phantom Purchased Share, Additional Share, Phantom Additional Share, Award Share, Phantom Award Share or dividend payable on a Purchased Share, Additional Share or Award Share by, to or on behalf of, a Participant,

to account for income tax or employment taxes under any wage, withholding or other arrangements or for any other tax, social security contributions or levy or charge of a similar nature, then that Group Company or person is entitled to be reimbursed by the Participant for the amounts so paid or payable.

(b) Where paragraph (a) applies, the Company may deduct from the relevant amount, or may sell on behalf of the Participant such number of Shares issued or transferred or otherwise to be issued or transferred to the Participant equivalent to, the amount of tax under any wage, withholding or other arrangements, and the deducted amount or the proceeds of such sale will be reimbursed to the Group Company for the tax, contribution or levy paid or payable. Where this happens, the number of Shares sold may include such number required to cover the costs of any such sale (e.g. stamp duty, brokerage, etc).

(c) The Company may require any Participant, as a condition of the allocation of any Shares or Phantom Shares, to enter into an agreement transferring any liability of any Group Company to social security contributions in respect of those Shares or Phantom Shares (as the case may be).

## 15. Notices

### 15.1 Validity of notice

A notice, consent or other communication under or concerning the Plan:

- (a) is validly given by the Company to an Employee, if:
  - (i) delivered personally to the addressee or sent by prepaid post to his or her last known residential address; or
  - (ii) sent to him or her by email or facsimile or posted on any intranet maintained by the Company or an administrator of the Plan and accessible by the Employee; and
- (b) is validly given by an Employee to the Company if:
  - (i) delivered or sent by prepaid post addressed to the company secretary of the Company at the Company's registered office or to the Plan Administrator (or any other address the Company specifies); or
  - (ii) sent to the company secretary of the Company or to the Plan Administrator by facsimile or email.

### 15.2 Receipt of notice

A notice, consent or other communication referred to in rule 15.1 and sent by way of:

- (a) post will be treated as received 48 hours after it was posted;
- (b) email will be treated as received on the date and time at which it enters the addressee's information system (as shown in a confirmation of delivery report from the sender's information system), unless sent after 5.00 pm (addressee's time) in which case it will be deemed to have been received at 9.00 am on the next business day (addressee's time);
- (c) facsimile will be treated as received on the date and at the time shown on the transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety and in legible form to the facsimile number of the addressee notified for the purposes of this rule 15; or
- (d) intranet will be treated as received at 5.00 pm (addressee's time) on:
  - (i) the day on which it is posted if that day is a business day; or
  - (ii) the first business day following the day on which it is posted if that day is not a business day.

## 16. Miscellaneous

### 16.1 Disputes

If there is any dispute or disagreement about the interpretation of the Plan, or as to any question or right arising from or related to the Plan, the decision of the Company will be final and binding on all persons.

### 16.2 Termination

The Company may at any time, and at its complete discretion, suspend or terminate the Plan without notice to the Participants. Any such suspension may be made in respect of particular jurisdictions in which Participants reside and need not be made in respect of all jurisdictions, and may be made in respect of particular Participants or groups of Participants. The suspension or termination of the Plan will not affect any Purchased Shares, Additional Shares, Phantom Purchased Shares or Phantom Additional Shares acquired before the suspension or termination and any restriction period imposed under rule 4.1 will cease. In the event of the termination or suspension of the Plan pursuant to this rule 16.2, the Company in its discretion may determine whether a Participant is entitled to Award Shares or Phantom Award Shares (as the case may be) whether or not the Award Conditions have been satisfied.

### 16.3 Suspension

Acquisitions of Purchased Shares may be suspended for

certain Participants (each an **Affected Participant**) at any time including in order to avoid breaching insider trading laws. In that case, payroll deductions will continue to be made from the after-tax pay of the Affected Participant and when the purchase restriction is lifted, the Plan Administrator will purchase Purchased Shares using the accrued amount of payroll deductions.

#### 16.4 Costs

The Company and any Group Company may, subject to applicable laws, be required to provide money or other property to a Nominee or to a specified Group Company for the purpose of enabling an Employee to acquire Shares under the Plan. In addition, the Company may require as a precondition to the acquisition of a Share on behalf of, or allocation of a Share to, any Employee that their employing company (or Group Company responsible for the Employee) enter into an agreement or arrangement as the Company considers necessary to oblige the employing company (or Group Company responsible for the Employee) to reimburse the Company or a Nominee or a specified Group Company for any money or property provided by the Company in connection with the Plan, directly or indirectly, in relation to a Participant.

#### 16.5 Attorney

Each Participant, in consideration of acceptance of an Application, is deemed to irrevocably appoint the Company and any person nominated from time to time by the Company (each an **Attorney**), severally as the Participant's attorney to complete and execute any documents including, without limiting the generality thereof, Applications and Share transfers or any document or agreement to give effect to the terms and conditions of the Plan and to do all acts or things on behalf of and in the name of the Participant which may be convenient or necessary or desirable for the purpose of giving effect to the provisions of the terms and conditions of the Plan, and the Participant shall be deemed to covenant that the Participant shall ratify and confirm any act or thing done pursuant to this power and shall release the Company, the Board, each Group Company and each attorney from any liability whatsoever arising from the exercise of the powers conferred by this rule 16.5 and shall indemnify and hold harmless the Company, the Board, each Group Company and the attorney in respect thereof.

#### 16.6 Connection with other plans

Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other plan operated by the Group unless the terms of that other plan provide otherwise or unless otherwise stated in the Invitation.

#### 16.7 Waiver

No failure, delay, or indulgence by a party in exercising any power or right under these Plan Rules shall operate as a waiver of such power or right. No single exercise of any power or right under this Plan shall preclude any other or future exercise of that (or any other) power or right.

#### 16.8 Severance

If any provision of these Plan Rules is rendered void, unenforceable or otherwise ineffective, such avoidance, unenforceability or ineffectiveness shall not affect the enforceability of the remaining provisions.

### 17. Governing law

The Plan is governed by the laws of New Zealand.

**Certified as the Plan Rules of FBUShare, Fletcher Building Limited's Global Employee Share Plan, as approved by the Board of Fletcher Building Limited on 15 February 2011 by a director of the Company:**

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Signature

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Name

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Date



## Appendix: Restrictions on resale in United States of America and Canada

### U.S. restrictions on resale

The securities offered under the Plan have not been registered under the U.S. Securities Act of 1933 (the **US Securities Act**) or any state securities law in the United States and may not be:

- (a) reoffered, resold, transferred, pledged or hypothecated except pursuant to an effective registration statement under the US Securities Act and applicable state securities laws or pursuant to an applicable exemption from the registration requirements of the US Securities Act and such laws; or
- (b) deposited into any unrestricted depositary receipt facility.

Securities offered under the Plan may only be sold by a Participant in the United States of America if they are offered and sold in an “offshore transaction” (as defined in Rule 902 under the US Securities Act) in compliance with Regulation S under the US Securities Act, including in regular brokered transactions on the NZSX or the ASX where neither the Participant nor anyone acting on the Participant’s behalf knows or has reason to know that the purchaser is in the United States or is a “U.S. person” as defined in Rule 902 under the US Securities Act.

### Canadian prospectus exemption and restrictions on resale

- (a) No prospectus has been filed with any Canadian securities commission or other regulatory body in connection with the issuance of the securities offered under the Plan and such issuance is exempted from the prospectus requirements under section 2.24 of National Instrument 45-106 Prospectus and Registration Exemptions (NI 45-106). Employees are restricted from using the civil remedies available that would otherwise apply, under certain applicable Canadian securities legislation which would otherwise be available if the securities offered under the Plan were issued pursuant to a prospectus. Employees may not receive information that would otherwise be required to be provided under certain applicable Canadian securities legislation which would otherwise be available if the securities offered under the Plan were issued pursuant to a prospectus. The Company is relieved from certain obligations that would otherwise apply, under certain applicable Canadian legislation, which would otherwise be available if the securities offered under the Plan were issued pursuant to a prospectus.
- (b) Pursuant to National Instrument 45-102 Resale of Securities, Employees may resell Shares issued pursuant to NI 45-106 on a securities exchange outside of Canada or directly to persons outside of Canada, provided that the Company is not a reporting issuer in any Canadian jurisdiction at the date of the trade and that Canadians do not directly or indirectly own more than 10% of the outstanding Shares and do not represent in number more than 10% of the total number of shareholders of the Company.