

**A.P. EAGERS LIMITED**

**ACN 009 680 013**

**RULES OF THE DIVIDEND REINVESTMENT PLAN**

*(as notified to the ASX on 29 October 2015)*

**1 INTERPRETATION**

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**1.1 Definitions**

In these Rules, unless the context otherwise requires:

“**ASX**” means ASX Limited ACN 008 624 691.

“**Board**” mean the directors of the Company acting collectively.

“**Business Day**” has the meaning set out for that term in the Listing Rules.

“**CHESS**” has the meaning set out for that term in the Listing Rules.

“**Company**” means A.P. Eagers Limited ACN 009 680 013.

“**Constitution**” means the constitution of the Company from time to time.

“**Directors**” mean the directors of the Company.

“**DRP**” means the A.P. Eagers Limited Dividend Reinvestment Plan adopted by the Board incorporating these Rules.

“**Distribution Amount**” means the amount of the Eligible Dividend payable to a Participant, less any deductions or withholdings required by law as contemplated by clause 6.2.

“**Election Form**” means a written application to participate in the DRP signed by a Shareholder (or each Shareholder in the case of a joint shareholding) under clause 3.1 in the form prescribed or approved by the Board from time to time, which may (without limitation) be combined with or form part of, any other form or notice (including a Variation Notice).

“**Eligible Dividend**” means a dividend declared or determined by the Directors to be payable wholly in cash in respect of Shares (whether or not in respect of shares in every class) which the Directors declare or determine to be an Eligible Dividend for the purposes of the DRP.

“**Full Participation**” has the meaning set out in clause 3.2.

“**Listing Rules**” means the Official Listing Rules of ASX as they may apply to the Company from time to time.

“**Market Price**” of a Share, in respect of an Eligible Dividend, means the volume weighted average market price (as defined in the Listing Rules) of the Shares over the period of five (5) trading days commencing on the trading day immediately following the relevant Record Date for that Eligible Dividend (or such other period or periods as the Directors may from time to time determine and if the period so determined includes trading days on or before the Record Date, the volume weighted average market price of the Shares in respect of those trading days is to be reduced by the amount of the Eligible Dividend payable on each Share in calculating Market Price), such amount to be determined by the Directors from information obtained from the ASX and to be rounded up or down to the nearest full cent.

**“Non-Participating Share”** means a fully paid Share that is not a Participating Share.

**“Official List”** has the meaning set out for that term in the Listing Rules.

**“Partial Participation”** has the meaning set out in clause 3.2.

**“Participant”** means a Shareholder in respect of the Shareholder’s Participating Shares.

**“Participating Share”** means a fully paid Share in respect of which the Shareholder is participating in the DRP.

**“Participation”** means Full Participation or Partial Participation.

**“Record Date”** means the date on which entitlements to a particular dividend are determined as notified by the Company to ASX or any other competent person.

**“Register”** means the Company’s share register maintained under section 168(l)(a) of the Corporations Act.

**“Rules”** means these Rules as may be amended from time to time pursuant to clause 13.

**“Shareholder”** means, subject to clause 1.4, the person whose name is (or in the case of joint shareholding, all the persons whose names are) entered in the Register as the holder of a Share.

**“Share”** means an ordinary share in the share capital of the Company and any other share in the Company that the Board may from time to time determine.

**“Share Registry”** means Computershare Investor Services Pty Limited, Central Plaza One, Level 27, 345 Queen Street, Brisbane Qld 4000 or such other share registry as the Company may from time to time determine by notice to Participants.

**“Variation Notice”** means a written notice signed by a Shareholder (or each Shareholder in the case of a joint shareholding) under clause 8.1 in the form prescribed or approved by the Directors from time to time, which may (without limitation) be combined with, or form part of, any other form or notice including an Election Form).

## **1.2 General**

In these Rules, unless the context otherwise requires:

- (a) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision;
- (b) the singular includes the plural and vice versa;
- (c) a reference to any gender includes all genders;
- (d) a word denoting an individual or person includes a corporation, partnership, joint venture, association, authority, trust, state or government and vice versa;
- (e) references to clauses are to clauses of these Rules;
- (f) an expression defined in these Rules has the same meaning throughout;
- (g) a reference to any document is to that document (and, where applicable, any of its provisions) as amended, supplemented or replaced from time to time; and

(h) a reference to "dollars" or "\$" is to Australian currency.

### **1.3 Headings**

In these Rules, headings are for convenience of reference only and do not affect interpretation.

### **1.4 Separate Shareholder Numbers**

Where a Shareholder is, in respect of a distinct number of Shares held by that Shareholder, shown in the Register with separate shareholder numbers, for the purpose of these Rules, the Shareholder is taken to be a separate and distinct Shareholder in relation to each such shareholder number and Shares that may be from time to time be entered in the Register in relation to that shareholder number.

## **2 PARTICIPATION IN THE PLAN**

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### **2.1 Optional Participation**

Participation in the DRP by a Shareholder is optional (at the choice of the Shareholder).

### **2.2 Eligible Shareholders**

Except as provided in clause 2.3, each Shareholder is eligible to participate in the DRP subject to:

- (a) these Rules and the Constitution;
- (b) if the Shareholder resides, or is shown in the Register as having an address, outside Australia, any applicable law of Australia or any other country; and
- (c) any limitation on shareholding in the Company or participation in the DRP imposed by any law.

### **2.3 Non Resident Shareholders**

A Shareholder is not eligible to participate in the DRP if the registered address of that Shareholder is in a country or place where, in the absence of a registration statement or other formality, the offer of a right to so participate would or might be unlawful.

### **2.4 Director's Discretion**

Notwithstanding anything contained in these Rules, the Directors shall be under no obligation to allot any Share to a Shareholder under the DRP if to do so would or might (in the opinion of the Directors) result in a breach of the constitution.

## **3 EXTENT OF PARTICIPATION**

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### **3.1 Election to Participate**

An election to participate in the DRP may, subject to these Rules, only be made by a Shareholder giving an Election Form to the Company.

### **3.2 3.2 Extent of Participation**

A Shareholder may participate in the DRP in respect of either:

- (a) all Shares entered in the Register in the Shareholder's name ("**Full Participation**"); or
- (b) a specific number of the Shares entered in the Register in the Shareholder's name ("**Partial Participation**").

Provided that, in either case, the election to participate is in respect of not less than what is regarded by ASX as a 'marketable parcel' of Shares at the time the Election Form is given to the Company.

### **3.3 Election to Participate**

A Shareholder must specify in an Election Form the extent to which the Shareholder wishes to participate in the DRP by specifying either:

- (a) Full Participation; or
- (b) Partial Participation.

### **3.4 Full Participation**

In the case of Full Participation, when the nomination pursuant to the Election Form has taken effect, all Shares entered in the Register in the Shareholder's name when the nomination takes effect and all Shares subsequently entered in the Register in the Shareholder's name (including, without limitation, pursuant to allotment under the DRP) are subject to the DRP.

### **3.5 Partial Participation**

In the case of Partial Participation, when the nomination pursuant to the Election Form has taken effect:

- (a) the number of Shares entered in the Register in the Shareholder's name and specified by the Shareholder in the Election Form for participation in the DRP when the nomination takes effect;
- (b) any other Shares entered in the Register in the Shareholder's name which are subsequently nominated for Partial Participation in the DRP pursuant to the provisions of Rule 8.1; and
- (c) all Shares entered in the Register in the Shareholder's name pursuant to an allotment under the DRP, shall be subject to the DRP.

### **3.6 Nomination taking effect**

For the purposes of this Rule, a reference to a nomination or Notice of Election taking effect is a reference to a nomination or Notice of Election taking effect in accordance with Rule 10.

### **3.7 Shares over which the Company has a charge**

Notwithstanding anything in these Rules, no Shares will be allotted to a Shareholder in respect of Shares pursuant to the DRP where, in accordance with the Constitution or otherwise by law:

- (a) the Board is, or would be, entitled to retain all or part of any dividend which is, or would be, payable in respect of any of the Shareholder's Shares which are the subject of the DRP; or
- (b) the Company is, or would be, entitled to a charge or lien over any of the Shareholder's Shares which are the subject of the DRP, or over any dividend payable in respect of any such Shares.

### **3.8 Shares which may not participate in the DRP**

Shares registered in the name of a Shareholder to which Rule 3.7 applies and Shares which are not fully paid or are not otherwise eligible to receive a full dividend (“**nonqualifying shares**”), shall not participate in the DRP. Where Shares have been nominated for either Full Participation or Partial Participation, and non-qualifying shares are either:

- (a) included in that nomination at the time when the nomination has taken effect in accordance with Rule 10; or
- (b) subsequently entered in the Register in the Shareholder’s name in consequence of an allotment, or by reason of a transfer or transmission of Shares or otherwise, then the non-qualifying shares shall not be Participating Shares unless and until:
  - (i) in the case of Full Participation - the Shares cease to be nonqualifying shares; and
  - (ii) in the case of Partial Participation - the Shares cease to be non-qualifying shares and after that time a Notice of Election is delivered and takes effect in accordance with these Rules.

### **3.9 Failure to identify shareholder number**

Where a Participant becomes a registered holder of additional Shares:

- (a) by reason of a transfer or transmission of Shares from another person; or
- (b) in consequence of an allotment of Shares pursuant to an acceptance of renounceable rights or an exercise of options, being rights or options which are transferred to the Shareholder from another person, the instrument of transfer (“**instrument**”) relating to the transferred Shares or transferred rights or options, as the case may be, which is lodged or received for registration with the Company, must correctly identify an existing shareholder number of the Participant and the Shares to be transferred, transmitted or allotted, as the case may be, will be entered in the Register in relation to that shareholder number.

### **3.10 Allocation to new account**

Notwithstanding the foregoing Rules, where a Participant fails to identify or correctly identify a Shareholder number in respect of additional Shares referred to in clause 3.9, those Shares:

- (a) will be allocated to a new shareholder number created in the Register in respect of the transfer or allotment; and
- (b) shall not be Participating Shares for the purpose of the DRP, in the absence of the Participant making an election to participate in respect of those Shares.

### **3.11 Identification of shareholding account**

To correctly identify a shareholder number, the name, address, account number (if any) and account designation (if any) and, if applicable, PID (if any) (as defined in the ASX Settlement Operating Rules) specified by the transferee in the instrument must be identical to the name, address, account number, account designation and PID specified in relation to that shareholder number in the Register.

## **4 OPERATION OF DRP**

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### **4.1 Application of DRP**

Notwithstanding any other Rule, the DRP applies only in respect of an Eligible Dividend payable to a Participant in respect of a fully paid Participating Share.

### **4.2 Application of Eligible Dividend**

The Distribution Amount must be applied by the Company on the Participant's behalf in subscribing for, and the Company must allot to the Participant, the number of fully paid Shares of the same class ("S") determined in accordance with the following formula:

$$S = \frac{N}{M}$$

Where:

N is the amount in dollars of the Distribution Amount; and

M is 95% of the Market Price in dollars per Share or such other percentage of the Market Price as may be determined by the Directors from time to time.

### **4.3 Whole Number**

If any number determined in accordance with the formula in clause 4.2 is a fraction. That fraction will be rounded up to the nearest whole number.

### **4.4 Full payment of Eligible Dividend**

Where the Eligible Dividend in respect of the Participating Shares is dealt with by the Company in accordance with clause 4.2, that constitutes full and final payment by the Company of the Eligible Dividend in respect of the Participating Shares to the relevant Shareholder.

### **4.5 Less than one Share**

Clause 4.2 does not apply in respect of a Participant where the number determined in accordance with the formula in clause 4.2 is less than one, in which case no Shares are to be issued under the DRP to that Participant and the Participant is to be paid the Distribution Amount in money.

### **4.6 Directors' Discretion**

Despite any other provision of this clause 4, the subscription price for Shares to be allotted under the DRP may be adjusted in such manner as the Directors consider appropriate:

- (a) to preserve equity between Participants and other Shareholders; or
- (b) to disregard any effect on the subscription price which appears in the reasonable opinion of the Directors to have resulted from a breach of a provision of Part 7.10 of the Corporations Act.

## **5 SHARES ALLOTTED UNDER THE DRP**

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### **5.1 Allotment**

Shares allotted under the DRP to a Participant:

- (a) must be allotted in accordance with the Constitution;
- (b) rank equally in all respects with existing Participating Shares of the same class; and
- (c) must be entered in the same part of the Register as the part in which the Participant's Participating Shares are entered at the time of the allotment.

## **6 COSTS TO PARTICIPANTS**

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### **6.1 Transaction Costs**

Except to the extent required by law (in which case clause 6.2 applies), no brokerage, commission, stamp duty or other transaction costs will be payable by a Participant in respect of any allotment of Shares under the DRP.

### **6.2 Deduction of Costs**

Where any law requires on any occasion the payment of any amount in respect of an allotment of Shares to a Participant under the DRP, that amount is to be deducted from the sum which would, but for the Participation of the Participant, be available for payment to the Participant and paid by the Company as required by that law.

## **7 STATEMENTS TO PARTICIPANTS**

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After each allotment made under clause 4.3, the Company must forward to each Participant a statement detailing, as at the date of that allotment:

- (a) the number of the Participant's Participating Shares at the relevant Record Date;
- (b) the Distribution Amount;
- (c) the amount of any deductions made under clause 6.2 in respect of that allotment; and
- (d) the number of Shares allotted under the DRP by that allotment.

## **8 VARIATION OR TERMINATION OF PARTICIPATION**

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### **8.1 Variation of Participation**

Subject to clause 9, a Participant may by giving a Variation Notice to the Company:

- (a) convert from Full Participation in the DRP to Partial Participation;
- (b) convert from Partial Participation in the DRP to Full Participation;
- (c) increase or decrease the number of the Participant's Participating Shares; or
- (d) terminate the Participant's Participation in the DRP.

## **8.2 Death/Bankruptcy of Participant**

If a Participant dies or becomes bankrupt, Participation by the Participant and any other Participants with whom the deceased was a joint Participant terminates with effect from the time the Company receives notice of the death or bankruptcy of that Participant as the case may be.

## **9 TRANSFER OF PARTICIPATING SHARES**

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### **9.1 Transfer of all Shares**

Where a Participant transfers all of the Participant's Shares, the Participant is treated as having given notice to terminate Participation in the DRP on the last date when the Company registered the relevant transfer or instrument of disposal of the Participant's Shares.

### **9.2 Transfer of some Shares**

Where a Participant transfers some of the Participant's Shares, the Shares so transferred are taken to comprise:

- (a) first, Shares which are Non-Participating Shares of that Participant (if any); and
- (b) secondly, to the extent that the number of Shares referred to in clause 9.2 (a) is insufficient to make a up the full parcel of Shares transferred, Participating Shares of that Participant.

### **9.3 Different Priority**

Where a Participant transfers some of the Participant's Shares, and wishes those Shares to be comprised other than as specified in clause 9.2, the Participant may deliver an Election Form to the Company which specifies that particular Shares shall be the subject of a particular transfer. Such an Election Form shall not however be of any effect unless:

- (a) it is received by the Company prior to the registration of the transfer to which the Election Form relates;
- (b) it provides details sufficient to identify the transfer to which the Election Form relates including, but not limited to, the date on which any relevant instrument of transfer was executed and the number of Shares concerned;
- (c) it identifies the number of Shares (if any) participating in the DRP which are to be the subject of the transfer; and
- (d) it is signed by or on behalf of the Shareholder in such manner as the Company may require.

### **9.4 Cessation of Participation**

A Participating Share shall not cease to be a Participating Share pursuant to a transfer unless or until the transfer has been registered in accordance with the constitution and any other relevant legal requirements.

## **10 ELECTION AND NOTICES**

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### **10.1 Form**

Election Forms and Variation Notices must be in writing and must be in the form prescribed or approved by the Board from time to time.

## **10.2 Effectiveness of Notices**

Notices under these Rules (including, without limitation, Election Forms and Variation Notices) will be effective on receipt by the Company at the Share Registry subject to:

- (a) these Rules;
- (b) in the case of Election Forms or Variation Notices:
  - (i) approval by the Board which may be withheld in any case (in its absolute discretion);
  - (ii) the appropriate entry having been made in the Register in respect of the Participating Shares to which the Election Form or Variation Notice relates to record the Participation of the Participant in the DRP, or the variation of the Participation of the Participant in the DRP (as the case requires);
  - (iii) receipt by the Company by not later than 5:00 pm on the Business Day immediately following the Record Date in respect of the relevant Eligible Dividend; and
  - (iv) any other restrictions as to the period of notice which the Board may from time to time impose.

## **10.3 Time takes effect**

Where an Election Form or a Variation Notice has been approved and the appropriate entry has been made in the Register, the Election Form or the Variation Notice shall take effect as from the time at which the entry was made.

## **10.4 Approval**

Approval of an Election Form or Variation Notice may be withheld in any case at the absolute discretion of the Board, including, without limitation, if the Board has determined that approval of that Election Form or Variation Notice would prejudice the effective operation of the DRP or otherwise be contrary to law or equity.

## **10.5 Notice by transferee or transmittee**

An Election Form or Variation Notice given by a transferee or transmittee of Shares may be treated by the Company as an effective notice for the purposes of these Rules notwithstanding that the Shares were not registered in the name of the transferee or transmittee at the time the Election Form or Variation Notice was given.

## **10.6 Invalid Notices**

The Company is under no obligation to correct invalid Election Forms or Variation Notices on behalf of Shareholders.

## **10.7 Notice by Company**

A notice required by these Rules to be given to Shareholders may be served on Shareholders at such time as the Board thinks fit by:

- (a) despatch of the notice in writing to each Shareholder in accordance with the constitution; or
- (b) public announcement of the notice to ASX (in which case the date in which the notice is deemed to be served on Shareholders shall be the date on which the notice is first announced to ASX); or

- (c) both the methods specified in paragraphs (a) and (b) (in which case the date on which the notice is deemed to be served on Shareholders shall be the date on which the notice is first announced to ASX).

## **11 ASX LISTING**

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While Shares in the Company are granted official quotation by ASX, the Company must apply for official quotation by ASX of Shares allotted under the DRP.

## **12 SUSPENSION OF PLAN**

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### **12.1 Suspension**

The DRP may be suspended by the Directors at any time at their absolute discretion. Without limiting the generality of the foregoing, the DRP may be suspended at any time when the Directors consider that its continued operation for the time being may be prejudicial to the Company or inequitable between Shareholders (whether in relation to the payment of dividends or otherwise) or for any other reason.

### **12.2 Period of Suspension**

A suspension of the DRP pursuant to Rule 12.1 shall take effect from a date determined by the Directors (“**date of suspension**”) and shall continue until such time as the Directors resolve either to recommence or to terminate the DRP. The date of suspension and the date of any recommencement of the DRP shall be notified to Shareholders.

### **12.3 Effect of Suspension**

As of the date of suspension, any Shares which may have been Participating Shares immediately prior to that date shall cease to participate in the DRP and shall accordingly cease to be Participating Shares, notwithstanding the entries which may appear in the Register on that date. During the period of the suspension of the DRP, no Shares in the Company shall participate in the DRP, and no Shares shall be Participating Shares for the purposes of these Rules notwithstanding the entries which may appear in the Register from time to time.

### **12.4 Recommence DRP**

The Board may resolve to recommence the suspended DRP at any time on such conditions as it thinks fit.

### **12.5 Effect of prior nomination**

Without limiting its power under Rule 12.4 the Directors may also direct that Shares which had been nominated for Full Participation or Partial Participation in the DRP prior to the date of suspension shall, with effect from the date of recommencement, participate in the DRP in accordance with the previous nominations of the Shareholders concerned. The date and conditions of the recommencement (including any directions as to Shares recommencing to participate in the DRP) shall be notified to Shareholders.

## **13 MODIFICATION AND TERMINATION OF THE DRP**

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### **13.1 Modification or Termination of DRP**

The DRP may be varied, modified or terminated by the Board (subject to the Constitution) at any time by notice to all Shareholders.

### **13.2 Effect of Modification**

A Participant will be taken to continue to participate in the DRP as varied or modified unless the Company is notified to the contrary by the Participant giving the Company a Variation Notice.

## **14 GENERAL**

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### **14.1 Dispute Resolution**

The Board may settle, in the manner it considers appropriate, any difficulties, anomalies or disputes which may arise in connection with, or by reason of this DRP (or its operation) whether generally or in relation to any Participant or any Shares and the decision of the Board is conclusive and binding on all Participants and other persons to whom the decision relates.

### **14.2 Entries Conclusive**

Subject to clause 12, the entries which have been made in the Register in respect of a Participant at any time pursuant to these Rules shall be conclusive in determining whether or not a Share is a Participating Share and whether the holder of the Share at that time has the corresponding rights which attach under these Rules to a Participating Share.

### **14.3 Errors in Register**

Neither the Company nor any of its officers or employees shall be liable in any way whatsoever to Shareholders for errors or omissions in the making of entries in the Register pursuant to these Rules.

### **14.4 Omission to give notice**

The accidental omission to give notice of modification, suspension or termination or the non-receipt of any notice by any Shareholder shall not invalidate the modification, suspension or termination of the DRP.

### **14.5 Taxation**

The Company takes no responsibility for the taxation liabilities of Participants and specific taxation advice should be obtained by the Participant, if required.

### **14.6 Waive compliance**

The Board reserves the right to waive strict compliance with any of the provisions of these Rules.

### **14.7 Governing Law**

The DRP and its operation and the terms and conditions set out in these Rules shall be governed by the laws of Queensland.

## 15 TRADING RULES

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### 15.1 Consistency with Trading Rules

If the Company is:

- (a) admitted to the Official List; or
- (b) a member of CHESSE; or
- (c) both admitted to the Official List and a member of CHESSE;

the following provisions apply:

- (d) notwithstanding anything contained in these Rules, if the Trading Rules prohibit an act being done, the act shall not be done;
- (e) nothing contained in these Rules prevent an act being done that the Trading Rules require to be done;
- (f) if the Trading Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
  - (i) if the Trading Rules require these Rules to contain a provision and it does not contain such a provision, these Rules are deemed to contain that provision;
  - (ii) if the Trading Rules require these Rules not to contain a provision and it contains such a provision, these Rules are deemed not to contain that provision;
  - (iii) if any provision of these Rules are or become inconsistent with the Trading Rules, these Rules are deemed not to contain that provision to the extent of the inconsistency.

### 15.2 Definition

In clause 15.1, **Trading Rules** means the Listing Rules and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, and the ASX Settlement Operating Rules while the Company is a member of CHESSE, each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX or the SCH.