

## TERMS & CONDITIONS

**Healthscope Limited**  
ACN 006 405 152

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### 1. Definitions and Interpretation

#### 1.1 In this Plan

- (a) 'ASX' means Australian Stock Exchange Limited;
- (b) 'Board' means Board of Directors of the Company;
- (c) 'books closing date' means a date on which the Company closes its share register to determine entitlements to the payment of dividend;
- (d) 'Company' means Healthscope Limited;
- (e) 'Dividend' means a cash dividend, or cash component of a dividend declared by the Board;
- (f) 'eligible shareholder' means a shareholder who is eligible to participate in the Plan under clause 2.1.
- (g) 'participant' means a shareholder whose application to participate in the Plan has been accepted by the Company.
- (h) 'participating shares' means shares which are subject to the Plan;
- (i) 'the Plan' means this Dividend Reinvestment Plan as amended from time to time;
- (j) 'Plan account' means the Plan account established and maintained by the Company for each participant under the Plan;
- (k) 'registered address' means the address of a shareholder shown in the share register;
- (l) 'share' means a fully paid ordinary share in the capital of the Company;
- (m) 'shareholder' means a person who is registered as a shareholder in the share register;
- (n) 'share register' means the register of holders of shares kept by the Company under the Corporations Law.

#### 1.2 In the interpretation of this Plan:

- (a) words denoting the singular include the plural and vice-versa
- (b) words denoting a gender include every other gender; and
- (c) the headings are for convenience only and do not affect interpretation.

## 2. Eligibility

- 2.1 A shareholder is eligible to participate in the Plan unless;
- his registered address is a place where by law participation, or the making of an offer or invitation to participate in the Plan request the issue of a Prospectus or other registered or regulated offer document; or
  - his participation will result in a breach of any law.
- 2.2 Participation in the Plan is optional.
- 2.3 All eligible shareholders may participate in the Plan.
- 2.4 The Board will determine in good faith whether a shareholder is eligible and the decision of the Board will be final and binding.
- 2.5 If the Board decides that a shareholder who has elected to participate in the Plan is not an eligible shareholder the Board may either
- terminate the shareholder's participation in the Plan and pay any dividends declared after the date of termination in cash; or
  - determine that the shares which would have been allotted to that shareholder will be allotted to a nominee approved by ASX ("the Nominee") and the Board will direct the Nominee to (i) offer those shares for sale in a manner at a price, and on other terms approved by ASX, and (ii) pay to the shareholder any proceeds of sale after deducting the expenses of the sale.

## 3. Participation in the Plan.

- 3.1 An eligible shareholder may apply to participate in the Plan by completing and signing an application in the form in the Plan schedule or any other form the Directors approve and lodging it with the Company's share registry.
- 3.2 Eligible shareholders may elect to participate in the Plan either fully or partially.
- 3.3 Full participation means that all shares registered in the participant's full name from time to time however acquired (including shares issued under the Plan) will be subject to the Plan.
- 3.4 Partial participation means that only the number of shares specified by the participant in his application or in any subsequent notice of variation, will be subject to the Plan.
- 3.5 If an application form received by the Company does not indicate either full or partial participation, it will be taken to be an application for full participation.
- 3.6 Where the number of shares registered in the share register in the name of a participant at a books closing date are less than the number of shares specified by the participant in his application, all those shares registered in the name of the participant will be subject to the Plan. The participant will be a full participant until the number held by the participant again exceeds the number of shares nominated by the shareholder as participating shares.

## 4. Operation of the Plan.

- 4.1 The Company will issue fully paid shares instead of paying a dividend on participating shares.
- 4.2 An eligible shareholder, by applying to participate in the Plan;
- directs the Company to apply the dividends payable on his participating shares (less withholding tax if applicable) as payment for shares to be issued under the Plan; and
  - authorises the Company on his behalf to subscribe for the shares.

- 4.3 The Company will establish and maintain a Plan account for each participant.
- 4.4 For each dividend payable to a participant the Company will;
- determine the dividend payable to the participant on his participating shares, and credit that amount to his Plan account;
  - determine (where applicable) the Australian withholding tax on that dividend and debit that account to his Plan account;
  - determine the number of shares, rounded up to the nearest whole number, which could be acquired under the Plan by using the credit amount in the participants Plan account;
  - subscribe for the number of shares determined under paragraph (c) in the name of the participant and debit the participant's Plan account for the total subscription amount for those shares; and
  - allot that number of shares to the participant.
- 4.5 The issue price of Plan shares is an amount between 90 and 100 percent (the exact percentage determined by the Board for each dividend) of the average of the 5 daily volume weighted average sale prices of shares sold on ASX during the 5 consecutive trading days commencing on the second trading day after the books closing date, rounded up to the nearest whole cent.
- 4.6 The Plan will not apply to a dividend, where the issue price calculated under 4.5 would be less than the par value of shares, and that dividend will be paid in cash.
- 4.7 The excess of the issue price over the par value of the shares allotted under the Plan will be treated as a premium paid on allotment.
- 4.8 The unpaid part of the issue price of shares allotted to participants because of a rounding up under clause 4.5 will be paid from any reserves of the Company lawfully available for that purpose.

## 5. Allotments Under the Plan

- 5.1 Allotments of shares under the Plan will be made in accordance with the Listing Rules of ASX.
- 5.2 Shares allotted under the Plan will rank equally in all respects with existing shares in the Company.
- 5.3 Shares allotted to a participant under the Plan will be registered on the share register on which his participating shares were registered at the date of allotment.
- 5.4 The Company will apply promptly for shares allotted under the Plan to be granted official quotation by ASX.

## 6. Cost to participants

- 6.1 The Company will not charge brokerage, commission or other transaction costs on the issue of Plan shares except when shares are sold under clause 2.5.
- 6.2 The Company will pay all the administration costs of the Plan.
- 6.3 The Company will not be liable to pay any taxes or other imposts assessed against or imposed on a participant.

## **7. Variation and Termination of Participation**

- 7.1 A participant may at any time give notice to the Company;
- (a) increasing or decreasing the number of his participating shares; or
  - (b) terminating his participation in the Plan.
- 7.2 Subject to clause 8.4 where a participant dies or becomes bankrupt or goes into liquidation, his participation in the Plan, and the participation of any joint shareholder, will be terminated by receipt of the Company of notice of death, bankruptcy or liquidation.
- 7.3 Where a participant disposes of some of his shares but remains a shareholder, and does not notify the Company otherwise, the shares disposed of will, to the extent possible, be taken to be;
- (a) first shares which are not participating shares; and
  - (b) second participating shares.

## **8. Administration**

- 8.1 The Company will send a Plan statement to each participant at the time it sends dividend advice to shareholders detailing;
- (a) The number of his participating shares at the books closing date;
  - (b) The amount of the dividend available on his participating shares;
  - (c) The issue price of shares allotted to the participant under the Plan;
  - (d) The number of shares allotted to the participant under the Plan;
  - (e) The amounts deemed assessable to Australian income tax, including franking credits, if any; and
  - (f) The amount of any withholding or other tax, which has been deducted from the dividend on his participating shares.
- 8.2 Notices under the Plan must be in writing, in the form and lodged at the place which the Directors may from time to time approve;
- 8.3 Application forms and notices (other than notices of death, bankruptcy or liquidation) about shares registered in joint names must be signed by all the registered holders of the shares.
- 8.4 Application and notices will take effect when they are received by the Company but;
- (a) an application to participate in the Plan is not effective until it has been accepted by the Company; and
  - (b) applications and notices, including notices of death, bankruptcy or liquidation received by the Company after 5.00pm on a books closing date for a dividend, will not be effective for that dividend, but will be effective for later dividends.

## **9. Board's Powers**

- 9.1 The Board may from time to time:
- (a) Set a maximum amount of dividend which may be reinvested by shareholders under the Plan and vary that amount;
  - (b) Determine administrative procedures to be followed to implement the Plan, and vary those procedures;
  - (c) Modify the Plan after one month's notice in writing to all participants;
  - (d) Suspend the operation of the Plan for any period, the suspension to take effect when the Board sends a notice of suspension to shareholders;

- (e) Terminate the Plan after first giving three months notice to shareholders, the termination to take effect at the expiration of that period of three months.

- 9.2 If the plan is suspended, the Board may resolve to recommence the Plan at any time on conditions determined by the Board and not inconsistent with the provisions of the Plan. Without limiting the general provision of this clause, the Board may direct that participating shares before the date of suspension will continue to be the participating shares, with effect from the date of recommencement, on the terms and conditions which applied before suspension. The Board will send notice to all shareholders of the date and conditions of the recommencement.

## **10. General**

- 10.1 The Company makes no representation or warranty about and accepts no liability for the liability of participants to the payment of income taxation in respect of any allotment payment or other transaction under the Plan.
- 10.2 The Plan and its operation are governed by the laws of the State of Victoria.
- 10.3 The Company may waive strict compliance with any of the provisions of the Plan.
- 10.4 Participants will be bound by the terms and conditions of the plan as they exist from time to time.