

ASX Compliance Pty Ltd  
Level 4 North Tower Rialto  
525 Collins Street  
Melbourne VIC 3000

**By Email Transmission**

18 December 2015

Dear Sir/Madam,

**MYSTATE LIMITED (ASX: MYS) – Dividend Reinvestment Plan**

The Board of MyState Limited A.C.N 133 623 662 is pleased to advise that it has approved the enclosed Dividend Reinvestment Plan (DRP) which will allow eligible shareholders to reinvest their dividends into shares in MyState Limited.

Shareholders will receive written advice, in accordance with their nominated communication instructions, from 25 January 2016 with information on how to opt-in to the DRP.

Yours sincerely



**Scott Lukianenko**  
**Company Secretary**



## **Dividend Reinvestment Plan**

Adopted 17 December 2015

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# MyState Limited

## Dividend Reinvestment Plan

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# Summary of Dividend Reinvestment Plan

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1. Holders of ordinary shares are generally eligible to participate in the DRP.
2. Participation in the DRP is optional and no action is required by shareholders who wish to receive dividends in the usual manner. Shareholders may elect to participate in the DRP in respect of all or a specified number of the shares which they hold (provided the number of participating shares is more than any minimum amount specified by the Board).
3. At each dividend payment date, the dividend on shares participating in the DRP is automatically reinvested in new shares.
4. Shares issued under the DRP will be ordinary shares and will rank equally in all respects with existing shares and can be sold at any time.
5. When an entitlement calculation ends in a fraction of a share, the entitlement to new shares will be rounded down to the next full share but the part of the dividend not applied will be carried forward.
6. Under the DRP, new shares may be issued at a discount of up to 5% from market price (calculated by a volume weighted average over a period determined by the Board), with the amount of the discount to be determined by the Board.
7. There is no brokerage, stamp duty or other charge payable by shareholders in respect of new shares issued under the DRP. The Company will bear all administration costs in connection with the DRP.
8. Shareholders participating in the DRP will be issued a statement after each dividend payment setting out details of the number of shares issued under the DRP in respect of that dividend.
9. For shares to participate in the DRP for a particular dividend, the shareholder must send to the Company's share registrar a completed Application or Notice of Variation so that it is received by the Company no later than one Business Day after the relevant Record Date.
10. The DRP may be suspended, modified, terminated or reinstated by the Board at any time in accordance with the Terms and Conditions of the DRP.
11. Shareholders may elect to terminate or modify their participation in the DRP in accordance with the Terms and Conditions of the DRP.
12. These Terms and Conditions will replace any terms and conditions of the DRP in effect prior to the date on which the Board determines that these Terms and Conditions will commence. Any elections, notifications, applications or variations made or given to the Company by Shareholders in respect of such existing terms and conditions will remain effective under these Terms and Conditions as though they had been made or given pursuant to these Terms and Conditions.

# MyState Limited ACN 133 623 962

## Dividend Reinvestment Plan Terms and Conditions

### 1. Definitions

1.1 In this DRP, the following words and expressions have the meanings indicated unless the contrary intention appears:

**Application** means an application to participate in the DRP made in the form prescribed by the Board from time to time (or in any other form the Board may accept).

**ASX** means ASX Limited or the financial market known as the Australian Securities Exchange that it operates, as the context requires.

**ASX Operating Rules** means the operating rules of ASX Operations Pty Ltd ABN 42 004 523 782.

**Board** means the board of directors of the Company from time to time.

**Business Day** has the same meaning as in the Listing Rules.

**Cash Dividend** means a Dividend payable to a Participant in respect of Participating Shares wholly in cash and, in the case of a Dividend payable only partly in cash, that part of the Dividend which is payable in cash.

**Company** means MyState Limited ACN 133 623 962.

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

**Dividend** means a dividend or interim dividend of the Company.

**Dividend Payment Date** means the date on which a Dividend is paid by the Company.

**DRP** means the Company's Dividend Reinvestment Plan governed by these Terms and Conditions.

**DRP Statement** means the statement referred to in clause 9.

**Excluded Information** has the meaning given in section 708A(7) of the Corporations Act.

**Full Participant** means a Participant who participates in the DRP in respect of all the Shares held by that Participant, including:

- (a) Shares currently held;
- (b) Shares issued under the DRP;
- (c) bonus Shares (if any) subsequently issued; and
- (d) any other Shares acquired subsequently.

**Issue Price** means the issue price of Shares issued under the DRP as determined in accordance with clause 7.2.

**Limited Participant** means a Participant who participates in the DRP in respect of some, but not all, of the Shares held by that Participant.

**Listing Rules** means the Listing Rules of the ASX.

**Minimum Amount** means the number of Shares (if any) that the Board determines from time to time as notified on the Company's website.

**Non-Participating Shares** means, in relation to a Limited Participant, any Shares registered in the name of the Limited Participant that are not subject to the DRP.

**Notice** means a notice given under these Terms and Conditions, including a Notice of Variation.

**Notice of Variation** means a form (as approved by the Board) by which a Participant applies to vary the level of, or withdraw from, participation in the DRP.

**Participant** means a Shareholder who is a participant in the DRP.

**Participating Shares** means, in relation to a Participant, the Shares registered in the name of the Participant that are subject to the DRP.

**Price Determination Period** means the period determined by the Board, being a period of not less than 5 Business Days (commencing before or after the relevant Record Date, as determined by the Board).

**Record Date** has the same meaning as in the Listing Rules.

**Residual Dividend** means, in respect of a Participant, the total Cash Dividend payable to that Participant reduced by any amount, including withholding tax, where appropriate, which the Company is required to or may, subject to the Listing Rules, deduct from the Cash Dividend payable to that Participant.

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

**Shareholder** means a person registered as the holder of Shares in the Company.

**Terms and Conditions** means the terms and conditions of the DRP.

**VWAP** means the volume weighted average price of Shares traded on ASX 'on-market' (as defined in the ASX Operating Rules) during the relevant period excluding:

- (a) special crossings, overseas trades, trades pursuant to the exercise of options, overnight trades and any other trades that are identified in section 6.3 of ASX's *Market Information Signal E-manual* (as varied or amended from time to time) as being excluded from an ASX volume weighted average price calculation; and
- (b) any trades that the Company determines to exclude on the basis that the trades are not reflective of the value of Shares during the period.

## 2. Interpretation

2.1 In these Terms and Conditions, except where the context otherwise requires:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, these Terms and Conditions, and a reference to these Terms and Conditions includes any schedule or annexure;
- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to **A\$, \$A, dollar** or **\$** is to Australian currency;

- (f) a reference to time is to Melbourne, Australia time;
- (g) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (h) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (i) a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (j) the meaning of general words is not limited by specific examples introduced by **including**, **for example** or similar expressions;
- (k) any agreement, representation, warranty or indemnity by two or more persons (including where two or more persons are included in the same defined term) binds them jointly and severally; and
- (l) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day.

2.2 Headings are for ease of reference only and do not affect interpretation.

### 3. The DRP

- 3.1 The DRP is established and these Terms and Conditions will apply to the DRP from the date that the Board determines that these Terms and Conditions will become effective. The DRP will operate pursuant to these Terms and Conditions from that date.
- 3.2 Under the DRP, Shareholders may elect to receive additional Shares in substitution for Cash Dividends in respect of all, or part only (as determined by each Shareholder) of their Shares on the terms and conditions as determined by the Board in respect of each Dividend.
- 3.3 Participation by a Shareholder in the DRP is optional and is not transferable.

### 4. Eligibility

- 4.1 Subject to clause 4.5, all Shareholders are eligible to participate in the DRP.
- 4.2 A Shareholder may elect to participate in the DRP by delivery of an Application to the Company or as it directs.
- 4.3 An Application received by the Company to participate in the DRP is not effective for a Dividend unless it is received by 5.00pm Melbourne time on the day which is one Business Day after the Record Date for that Dividend or another date as may be determined by the Board.
- 4.4 If an Application is made in respect of Shares jointly held by two or more Shareholders, all joint holders of such Shares must sign the Application for it to be valid.
- 4.5 The Company may in its discretion reject, in whole or in part, any Application and is not required to give any reason for doing so. This discretion includes, but is not limited to, a discretion for the Board to determine that the right to participate in the DRP is not available to a Shareholder:
  - (a) who has a registered address or is a resident in a country or place where, in the absence of a disclosure document, registration statement or other prerequisite or the satisfaction of any conditions, the offer of a right of election or participation would or might be unlawful;

- (b) whose participation in the DRP might lead to a foreign person acquiring an interest in the Company in breach of the *Foreign Acquisitions and Takeovers Act 1975* (Cth) or any other law or regulation, including the rules of a financial market;
  - (c) whose level of participation is less than the Minimum Amount; or
  - (d) who holds partly paid Shares or Shares issued but not fully paid for, or subject to any restrictions or rules that would limit or prevent participation, under an employee incentive scheme.
- 4.6 In the case of joint holders of Shares, if one or more of the joint holders is not eligible to participate in the DRP, none of the joint holders is eligible to participate in the DRP in respect of the jointly held Shares.
- 4.7 The Company must notify a Shareholder of the rejection of any Application as soon as practicable after the Application is made.
- 4.8 A Shareholder is solely responsible for obtaining any government or regulatory approvals and consents necessary for that Shareholder to be eligible to participate in the DRP.

## 5. Initial Participation

- 5.1 A Shareholder may elect that all or a specified lesser number of the Shares registered or to be registered in the name of that Shareholder (provided that number of Shares at all times exceeds the Minimum Amount) will be subject to the DRP.
- 5.2 If a Shareholder nominates a number of Shares less than that Shareholder's total holding to be subject to the DRP, following receipt of the Application, and subject to clause 4.5, the Shareholder will become a Participant in the DRP but only in relation to the Shares nominated.
- 5.3 If the Shareholder does not specify the number of Shares that are to become Participating Shares, the Application will be deemed to be an Application by the Shareholder to become a Full Participant.
- 5.4 If an Application is received, then, subject to clause 4.5, the Shareholder:
- (a) where the Application was in respect of all of the Shares registered or to be registered in the name of that Shareholder, is admitted as a Full Participant; or
  - (b) where the Application was in respect of a specified lesser number of Shares registered or to be registered in the name of that Shareholder, is admitted as a Limited Participant.
- 5.5 By providing an Application or Notice of Variation to the Company, the Shareholder:
- (a) warrants to the Company that it is eligible to participate in the DRP;
  - (b) authorises the Company or its officers or agents to correct any error in or omission from any Application or Notice of Variation;
  - (c) agrees that the Company may:
    - (i) determine that any Application or Notice of Variation is valid, in accordance with these Terms and Conditions;
    - (ii) reject any Application or Notice of Variation; or
    - (iii) arrange for the DRP to be fully or partially underwritten in respect of any one or more Dividends;
  - (d) agrees that the Company has not provided the Shareholder with investment advice or financial product advice concerning its decision whether to apply to participate in the DRP and that the Company has no obligation to provide this advice; and



- (e) agrees to be bound by these Terms and Conditions.

## 6. Notices of Variation

- 6.1 A Participant may at any time give a Notice of Variation to the Company:
- (a) increasing or decreasing the number of Shares participating in the DRP; or
  - (b) terminating participation in the DRP.
- 6.2 A Notice of Variation received by the Company to vary the level of participation or to terminate participation in the DRP is not effective for a Dividend unless it is received by 5.00pm Melbourne time on the day which is one Business Day after the Record Date for that Dividend or another date as may be determined by the Board.
- 6.3 A Participant's level of participation in the DRP, as evidenced by that Participant's Application or any subsequent Notice of Variation, will constitute that Participant's level of participation until:
- (a) the Participant formally varies or terminates the Participant's participation in the DRP by way of Notice of Variation or such participation is deemed to be formally varied or terminated in accordance with the Terms and Conditions; or
  - (b) the Company terminates the DRP,
- whichever occurs earlier.

## 7. Operation of the DRP

- 7.1 For each Dividend in respect of which the Board determines that the DRP is to operate, the Residual Dividend must be applied by the Company on each Participant's behalf in subscribing for additional Shares in accordance with the Terms and Conditions.
- 7.2 Subject to clause 7.4, the price at which each Share is issued under the DRP in respect of a Dividend (**Issue Price**) is:
- $$\text{Issue Price} = \text{Determined Percentage} \times \text{Market Price}$$
- 7.3 For the purpose of clause 7.2:
- (a) **Determined Percentage** means 95% or a greater percentage as the Board in its absolute discretion determines to be applicable in respect of a Dividend; and
  - (b) **Market Price** means:
    - (i) the VWAP during the Price Determination Period; or
    - (ii) if no Shares have been sold during the Price Determination Period, the last sale price of Shares sold on ASX 'on-market' (as defined in the Corporations Act) prior to the Price Determination Period.
- 7.4 If the Board is of the opinion that determination of the Issue Price for a Dividend in accordance with the formula set out in clause 7.2 would materially disadvantage any Shareholder or would not represent a fair and reasonable price at which to issue Shares pursuant to the DRP in respect of that Dividend, the Board may substitute another price as the Issue Price (as determined by it in its absolute discretion) for that Dividend.
- 7.5 The Issue Price (whether determined by application of the formula in clause 7.2 or by the Board under the residual discretion granted to it by clause 7.4) is final and binding on all Participants.
- 7.6 In respect of a Residual Dividend payable to a Participant, the Company will:
- (a) calculate the number of Shares (at the Issue Price) to be acquired using the Residual Dividend payable to the Participant, rounded down to the nearest whole Share;

- (b) on behalf of and in the name of the Participant, apply the total Residual Dividend payable to that Participant to acquire that number of additional Shares calculated in accordance with clause 7.6(a); and
  - (c) issue that number of additional Shares to the Participant within five Business Days after the Dividend Payment Date.
- 7.7 The amount of any Residual Dividend payable to a Participant which is not applied by the Company under clause 7.6 because the number of Shares to be issued to a Participant is rounded down may at the discretion of the Board be:
- (a) accumulated by the Company on behalf of the Participant until one Share can be issued to the Participant under the DRP by applying the amount accumulated; or
  - (b) paid to the Participant as the Board determines in its absolute discretion.
- 7.8 If, at the date the Issue Price is to be determined in respect of a Dividend, the Company is aware of Excluded Information the Board must suspend the operation of the DRP in respect of that Dividend (in accordance with clause 13.1(b)) unless the Company discloses the Excluded Information to ASX.
- 7.9 If and to the extent that the DRP does not operate, the relevant Dividend must instead be distributed in cash to Participants in the same way as to other Shareholders who do not participate in the DRP.

## 8. Shares issued under the DRP

- 8.1 Subject to the constitution of the Company and the Listing Rules, all Shares issued under the DRP rank equally in every respect with the existing Shares and participate in all Dividends subsequently declared or authorised.
- 8.2 The Company must issue or cause to be issued a holding statement (or share certificate, as the case requires) to each Participant for the total number of Shares issued to that Participant under clause 7.6(c).
- 8.3 The Company must apply for the Shares issued under the DRP to be listed for quotation on the official list of the ASX as soon as reasonably practicable after their date of issue.

## 9. DRP Statements

- 9.1 The Company will send to each Participant following each Dividend Payment Date while the DRP is in effect a DRP Statement detailing the following information:
- (a) the number of Shares of the Participant participating in the DRP as at the relevant Record Date;
  - (b) the amount of the Cash Dividend payable on each Participating Share;
  - (c) if applicable, the amount of withholding tax or other amount which has been deducted from the Cash Dividend payable on the Participating Shares;
  - (d) the Residual Dividend payable on the Participating Shares;
  - (e) the current Issue Price;
  - (f) the number of Shares issued or to be issued to the Participant under the DRP in respect of that Dividend and the date of issue of those Shares;
  - (g) the franked amount (if any) of the Dividend and the imputation tax credit (if any) attaching to the Dividend;

- (h) subject to any share transactions in the intervening period, the total number of Shares of the Participant participating in the DRP after the Dividend; and
- (i) other information as the Board may at any time and from time to time determine.

## 10. Costs to Participating Shareholders

No brokerage, commission or other transaction costs and no stamp or other duties are payable by Participants for the issue of Shares to them under the DRP.

## 11. Termination of Participation

11.1 A Participant is taken to have terminated participation in the DRP:

- (a) on receipt by the Company of a Notice of Variation terminating participation in the DRP in accordance with clause 6;
- (b) on registration of one or more transfers of all of the Participant's Participating Shares;
- (c) on termination of the DRP by the Board in accordance with clause 13;
- (d) on receipt by the Company of the notice of death, bankruptcy or liquidation of the Participant; or
- (e) on the Participant ceasing to be eligible for participation in the DRP.

11.2 For the purposes of clause 11.1 the death, bankruptcy or liquidation of any one of two or more joint Shareholders does not automatically terminate the participation of the remaining Shareholder or joint Shareholders in the DRP.

11.3 A Share which has ceased to be a Participating Share is not precluded from subsequently again becoming subject to the DRP.

## 12. Acquisition and sale of Shares by Participants

12.1 All Shares issued or transferred to a Participant under the DRP will be added to the number of Participating Shares unless a Notice of Variation advising the Company to the contrary has been delivered to the Company.

12.2 Unless advised by the Limited Participant to the contrary, if a Limited Participant sells or transfers Shares, the Shares sold or transferred will, first, reduce the number of Non-Participating Shares and, secondly, the number of Participating Shares.

12.3 If, by the issue, purchase or transfer of Shares otherwise than under the DRP, the number of Shares held by a Limited Participant increases to a number greater than the original nominated number of Participating Shares, the excess of Shares over the number of Participating Shares are taken to be Non-Participating Shares.

12.4 Any further Shares acquired (by whatever means) by a Full Participant automatically become Participating Shares on being registered in the Participant's name.

## 13. Modification and termination of the DRP

13.1 The Board may at its discretion at any time resolve to:

- (a) vary the DRP and any agreement relating to the DRP;
- (b) suspend the operation of the DRP for any one or more Dividends or period of time; or
- (c) terminate the DRP.

- 13.2 Any variation, suspension or termination made in accordance with clause 13.1:
- (a) is effective from the date of the resolution or a later date as determined by the Board; and
  - (b) does not give rise to any liability on the part of the Company or right of action by a Participant against the Company or the Board.
- 13.3 The Company must give written notification to the ASX of any variation, termination, suspension or reinstatement of the DRP.
- 13.4 Neither variation of the Terms and Conditions nor temporary suspension of the DRP affects a Participant's participation under the DRP (as varied or re-implemented as the case may be) unless the Company is notified by a Participant to the contrary by a Notice of Variation.
- 13.5 The accidental omission to give notice of any variation, suspension, termination or reinstatement of the DRP to the ASX or to any Participant or the non-receipt of any notice by any Participant does not invalidate the variation, suspension, termination or reinstatement of the DRP.

## 14. Disputes

The Board has absolute discretion to resolve any dispute concerning the DRP in the manner it sees fit and to adopt any administrative procedures it thinks appropriate. The decision of the Board is final and binding on the Participants.

## 15. Taxation

Neither the Company nor the Board, its officers, employees, representatives or agents take any responsibility or assume any liability for the taxation liabilities of Participants. Specific taxation advice from professional advisers should be obtained by the Participants.

## 16. Applications and Notices

- 16.1 Applications and Notices to the Company must be in writing and in the form prescribed by the Board from time to time (or in any other form the Board may accept).
- 16.2 Applications and Notices will be effective upon receipt by the Company subject to these Terms and Conditions.
- 16.3 A Notice must be signed by the Shareholder (or Participant, as the case may be) or, if two or more persons hold Shares jointly, by each joint holder of the Shares.
- 16.4 If a Shareholder or Participant is a body corporate, a Notice must be executed in accordance with sub-section 127(1) of the Corporations Act or by an authorised officer, attorney or representative.
- 16.5 If a Notice is completed by an individual or a body corporate under a power of attorney, the power of attorney under which it is signed or a certified copy of that power must accompany the Notice.

## 17. General

- 17.1 The DRP does not apply in any case where:
- (a) in accordance with the constitution of the Company or otherwise by law, the Company is entitled to retain all or part of a Dividend payable in respect of Shares which a Participant has nominated as participating in the DRP;
  - (b) where the Company is entitled to a charge or other security over those Shares or over any Dividend payable in respect of those Shares; or
  - (c) the issue of Shares under the DRP would be in breach of any applicable law.

17.2 The Board may in its sole discretion delegate the performance or exercise of any or all of the rights, powers or discretions granted to it under the Terms and Conditions to a sub-committee of the Board or to any other committee comprising executive officers and/or senior employees of the Company as determined by the Board.

## 18. Governing law

The DRP, the Terms and Conditions and the operation of the DRP are governed by the laws of Victoria.