

Dividend Reinvestment Plan



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PREMIER INVESTMENTS LIMITED

ACN 006 727 966

DIVIDEND REINVESTMENT PLAN

1 Definitions and interpretation

1.1 Definitions

In this Plan, unless the context requires otherwise:

“**ASX**” means ASX Limited ACN 008 624 691 or the Company's Home Branch and includes, any body corporate succeeding to all or most of the powers, functions and duties of ASX Limited.

“**Board**” means the board of Directors or a committee of Directors.

“**Business Day**” has the meaning given to that term in the Listing Rules.

“**Change of Participation Notice**” has the meaning given to that term in clause 11.1.

“**Company**” means Premier Investments Limited ACN 006 727 966.

“**Directors**” means the directors of the Company from time to time.

“**Home Branch**” has the same meaning given to that term in the Listing Rules.

“**Issue Price**” means the price per share at which Participating Shares will be issued or transferred under the Plan, calculated in accordance with clause 8.

“**Listing Rules**” means the listing rules of the ASX and any other rules of the ASX which apply to the Company from time to time, except to the extent of any express written waiver by the ASX.

“**Notice of Election**” means an application to participate in the Plan in a form prescribed or approved by the Board, from time to time.

“**Official List**” has the same meaning given to that term in the Listing Rules.

“**Participant**” means a Shareholder who elects to participate in the Plan.

“**Participating Shares**” means Shares in the Company which are subject to the Plan.

“**Plan**” means the Premier Investments Limited Dividend Reinvestment Plan established under these Rules.

“Register” means the register of members of the Company.

“Record Date” has the meaning given to that term under the Listing Rules.

“Rules” means the rules governing the Plan as amended, modified or varied from time to time.

“Shares” means fully paid ordinary shares in the capital of the Company.

“Shareholder” means a person registered as the holder of Shares.

“Share Registry” means Computershare Limited or such other registry as the Board may determine, from time to time.

“Stay Constant Participation” has the meaning given to that term in clause 5.

“Trading Day” has the meaning given to that term in the Listing Rules.

“VWAP” means the volume weighted average market price for all Shares sold on the ASX automated trading system, excluding Shares which, in the opinion of the Board, are sold otherwise than in the ordinary course of trading (which include but are not limited to transactions defined in the ASX Market Rules as special crossings, crossings prior to the commencement of the open session state, portfolio special crossings, equity combinations, crossings during overnight trading, overseas trades or trades pursuant to the exercise of options over Shares) and any other sales that the Board determines should be excluded on the basis that they are not fairly reflective of genuine supply and demand.

1.2 Interpretation

In this Plan, unless the context otherwise requires:

- (a) words denoting the singular include the plural number and vice versa;
- (b) words importing a gender include any gender;
- (c) a person includes a corporation and vice versa;
- (d) any reference to any statutory enactment or law or the Listing Rules means a reference to that enactment or law or those Listing Rules as amended, modified, re-enacted or replaced from time to time and, in the case of a statutory enactment, includes regulations and statutory instruments issued under that statutory enactment; and
- (e) headings are for ease of reference only and do not affect the interpretation of these Rules.

1.3 Business Days

Except where otherwise provided, where under or pursuant to this Plan or anything done under these Rules, the day on or by which any act, matter or thing is to be done is a day other than an Business Day, such act, matter or thing will be done on the immediately succeeding Business Day.

2 Participation

- 2.1 Participation in this Plan is:
- (a) optional;
 - (b) not transferable; and
 - (c) subject to these Rules.
- 2.2 All Shareholders are eligible to participate in the Plan except those Shareholders who are subject to the laws of a country or place other than Australia and New Zealand where, in the opinion of the Board, the law or any other matter or thing makes the offer to participate in the Plan impracticable, impossible or illegal.
- 2.3 For the purposes of clause 2.2, the Board is entitled to make a final determination as to whether or not a Shareholder is eligible to participate in the Plan and to change any such determination, as it thinks fit.
- 2.4 Subject to clause 2.5, participation in the Plan may be either full, partial or capped in accordance with clauses 3, 4 or 5.
- 2.5 The Board may, in its absolute discretion, limit the level of participation of Shareholders in the Plan in respect of a particular dividend, including, without limitation, by limiting the proportion of the Shares in respect of which Shareholders may participate in the Plan in relation to a particular dividend.

3 Full participation

- 3.1 A Shareholder who elects to participate in the Plan on the basis of full participation must indicate that level of participation in the Notice of Election.
- 3.2 If a Notice of Election is received by the Company which does not specify the level of participation in the Plan, it will be deemed to be an election for full participation.
- 3.3 Under full participation, all Shares registered in the Participant's name in the Register from time to time, including Shares issued or transferred under the Plan, will, subject to clause 2.5, be subject to the Plan.

4 Partial participation

- 4.1 A Shareholder who elects to participate in the Plan on the basis of partial participation must indicate in the Notice of Election the specific number of Shares registered in that Shareholder's name which are to be subject to the Plan.
- 4.2 Subject to clauses 2.5, 4.3 and 5, partial participation will apply in respect of:
- (a) the specified number of Shares set out in the Notice of Election; and

- (b) any other Shares registered in the name of the Participant which are subsequently accepted for participation under clause 11.
- 4.3 If, at the relevant Record Date, the number of Shares registered in the name of a Participant is less than the number of Shares specified under clause 4.2, then the provisions of the Plan will apply only to that lesser number of Shares.

5 Participation to prevent dilution

- 5.1 A Shareholder with voting power of more than 10% in the Company (or such other threshold as the Board may from time to time determine) may elect to participate in the Plan in respect of a particular dividend in relation to which the Plan is operative only to the extent required to avoid a change in its percentage shareholding ("**Stay Constant Participation**").
- 5.2 A Shareholder who elects to participate in the Plan on the basis of Stay Constant Participation must indicate in the Notice of Election that it wishes to do so and the Notice of Election will be deemed to be made in respect of that number of Shares of that Shareholder which would result in the number of Shares determined under clause 9.2 being acquired by that Shareholder.

6 Notice of election

- 6.1 A Notice of Election to participate in the Plan must be:
- (a) given on the form provided by the Company;
 - (b) be signed by the Shareholder; and
 - (c) delivered to the Share Registry.
- 6.2 To be effective for a dividend, the Notice of Election delivered to the Share Registry in accordance with clause 6.1 must be received by the Share Registry by no later than 5.00pm on the relevant Record Date.
- 6.3 A Notice of Election will remain in force until:
- (a) the Participant:
 - (i) formally varies the Notice of Election; or
 - (ii) formally terminates participation in the Plan; or
 - (b) the Company:
 - (i) terminates the Participant's participation in the Plan; or
 - (ii) terminates the Plan.
- 6.4 In accordance with clause 12, Participating Shares which are sold, transferred or otherwise disposed of will cease to participate in the Plan on registration of the transfer of those Participating Shares.

- 6.5 A Notice of Election to participate in the Plan by joint Shareholders, must be signed by all of the joint holders of the Shares. If one or more of the joint holders of the Shares is not eligible to participate in the Plan, none of the joint holders can apply to participate in the Plan with respect to the Shares jointly held.

7 Operation of the Plan

- 7.1 Each cash dividend which is, from time to time, due and payable to a Participant by the Company in respect of Participating Shares will, subject to these Rules, be applied by the Company, on the Participant's behalf, in acquiring or subscribing for additional Shares under the terms of this clause 7.
- 7.2 The Board may, in its absolute discretion, determine with respect to the operation of the Plan for any dividend whether to:
- (a) issue new Shares; or
 - (b) cause the transfer of Shares to a Participant, or
 - (c) apply a combination of the above,
- to satisfy the obligations of the Company under these Rules.
- 7.3 If the Board determines to cause the transfer of Shares to Participants, the Shares may be acquired in such manner as the Board considers appropriate in all the circumstances.
- 7.4 The Company will establish and maintain a DRP account for each Participant.
- 7.5 The Company will in respect of each dividend payable to a Participant:
- (a) calculate the amount of dividend payable in respect of the Participating Shares, less any withholding tax or other sum which the Company is entitled or required to retain in relation to the dividend (where applicable);
 - (b) credit the amount in clause 7.5(a) to the Participant's DRP account;
 - (c) determine the maximum whole number of Shares to be issued or acquired and transferred to the Participant in accordance with clause 9.1 and using any cash balance then in the Participant's DRP account;
 - (d) on behalf of and in the name of the Participant, issue or cause the transfer of that number of Shares referred to in clause 7.5(c);
 - (e) debit the Participant's DRP account with the total Issue Price attributable to the Shares referred to in clause 7.5(d); and
 - (f) retain in the Participant's DRP account, any cash balance remaining (without accruing interest).

8 Issue price

- 8.1 The Issue Price of each Share to be issued or transferred under the Plan for each dividend will be:
- (a) the arithmetic average (rounded down to the nearest cent), of the daily VWAP, during the 10 Trading Days commencing on the second trading day following the relevant Record Date (or such other period as determined by the Board in its absolute discretion); less
 - (b) a discount (if any) as the Board may, from time to time, determine.

9 Shares to be issued or transferred under the Plan

- 9.1 Subject to clause 9.2, the number of Shares to be issued or transferred under the Plan, from time to time, to each Participant will be rounded down to the next whole number of Shares calculated in accordance with the following formula:

$$PS = \frac{D - T}{P}$$

where:

- PS means the number of Shares to be issued or transferred to the relevant Participant
- D means the dividend payable on the Participant's Participating Shares as at the Record Date for that dividend
- T means any withholding tax or other sum which the Company is entitled or required to retain in relation to the dividend or the Participating Shares
- P means the Issue Price.

- 9.2 If a Shareholder has elected to participate in the Plan on the basis of Stay Constant Participation in accordance with clause 5, subject to the amount of the dividend payable to the relevant Shareholder being sufficient, the number of Shares to be issued to or purchased for the relevant Shareholder at the Issue Price will be the number of Shares necessary for it to maintain, subject to rounding and after the issue of all Shares under the Plan (and any associated underwriting) in respect of the dividend (including the issue to the relevant Shareholder and any other shareholder which has validly elected to participate on the basis of Stay Constant Participation), the same proportion of all the Shares that it held immediately before that issue.
- 9.3 The Shares to be issued to or purchased for a Shareholder pursuant to clause 9.2 will be rounded down to the nearest whole number.
- 9.4 All Shares issued or transferred under the Plan will:
- (a) rank equally, in all respects, with all the Shares in the Company on issue as at the date that the Shares are issued or transferred; and
 - (b) participate in all dividends subsequently declared.

10 Statement to participants

The Company will send to each Participant, as soon as practicable after each dividend payment date in accordance with the Listing Rules, a statement setting out the following information:

- (a) the number of Participating Shares as at the relevant Record Date;
- (b) the amount of dividend payable (less, if applicable, the amount of any withholding tax or other sum which the Company is entitled or required to retain in relation to the dividend which has been deducted in respect of the dividend or the Participating Shares) on the Participating Shares;
- (c) the cash balance of the Participant's DRP account;
- (d) the number of Shares issued or transferred to the Participant under the Plan;
- (e) the Issue Price at which the Shares were acquired or issued under the Plan;
- (f) the total number of Participating Shares held by the Participant as at the date of the statement; and
- (g) the extent to which the dividend referable to the relevant Record Date is franked for Australian income tax purposes.

11 Variation or termination of participation

11.1 A Participant may, at any time, by completing and returning to the Share Registry a written notice in the form, from time to time, prescribed by the Board (the "**Change of Participation Notice**"):

- (a) vary the level of participation in the Plan; or
- (b) terminate participation in the Plan.

11.2 A Change of Participation Notice delivered to the Share Registry in accordance with clause 11.1 will take effect from the next Record Date.

11.3 If a Participant increases the Participant's level of participation in the Plan to full participation, all of the Participant's Shares as at the date of the Change of Participation Notice, and all Shares acquired after that date by the Participant will participate in the Plan.

11.4 If a Participant decreases the Participant's level of participation in the Plan to below full participation, only the number of Shares specified in the Change of Participation Notice will participate in the Plan and Shares acquired thereafter by the Participant (including Shares issued or transferred under the Plan) will not participate in the Plan.

11.5 In the event of the death of a Participant, participation in the Plan will be terminated on receipt by the Company of written notice of the death of the Participant, unless:

- (a) the legal personal representatives of the deceased Participant notify the Company otherwise; or

- (b) the deceased Participant's Participating Shares are held jointly with another person or persons who remain eligible to participate in the Plan.

11.6 On termination of participation under the Plan, for whatever reason, the Company will send to the Participant, or the trustee or personal representative of a deceased Participant's estate, a statement of the Participant's DRP account as at the date of termination and an amount equal to the cash balance of the Participant's DRP account.

12 Reduction or termination on disposal

12.1 If a Participant disposes of all of its Participating Shares, its participation in the Plan will automatically terminate on the day on which the last transaction is registered in the Register.

12.2 Where a Participant disposes of part of that Participant's holding of Shares and does not notify the Company otherwise, the Shares disposed of will, to the extent possible, be taken to be:

- (a) firstly, any of that Participant's Shares which are not participating in the Plan; and
- (b) next, such number of Participating Shares until the total number of Shares disposed of have been accounted for.

12.3 No Participating Share shall cease to be subject to the Plan pursuant to a transfer unless and until the transfer has been registered in the Register.

13 ASX quotation

The Company will make application for all Shares newly issued under the Plan to be quoted on the Official List of ASX.

14 Cost to participants

No brokerage, commission, stamp duty or other transaction costs will be payable by any Participant in respect of the issue or transfer of Shares under the Plan.

15 Governing law

The Plan, these Rules and the operation of the Plan shall be governed by and construed in accordance with the laws for the time being in force in the State of Victoria.

16 Administration

16.1 Subject to the Listing Rules, this Plan shall be administered by the Board and any determination made by the Board in respect of the operation of this Plan shall be final and binding on all Participants.

- 16.2 Without limiting the generality of clause 16.1, the Board has the power, among other things, to:
- (a) determine appropriate procedures for administration of the Plan;
 - (b) resolve conclusively all questions of fact or interpretation in connection with the Plan;
 - (c) delegate to any one or more persons, for a specified period and on such conditions as they may determine, the exercise of any of its powers or discretions arising under this Plan; and
 - (d) amend, vary, suspend or terminate the Plan in accordance with clauses 17 and 18.

17 Variation of Plan

- 17.1 Subject to the Listing Rules, the Board has the power to amend, vary or substitute all or any of the terms of the Plan.
- 17.2 For the purposes of clause 17.1 but subject to the Listing Rules, the amendment, variation or substitution takes effect on and from the date specified or determined by the Board.

18 Suspension or termination of Plan

- 18.1 The Plan may, at any time, be suspended or terminated by resolution of the Board.
- 18.2 The Board may resolve to suspend the operation of the Plan generally in respect of all dividends. The Board may also resolve to suspend the operation of the Plan in respect of a particular dividend.
- 18.3 The suspension or termination will take effect in respect of the relevant dividend, on the date, or for the period, specified by the Board.
- 18.4 In the event of suspension of the Plan in respect of a dividend, the Participating Shares will cease to be Participating Shares in respect of the relevant dividend for the purpose of these Rules and during the period of, or within the scope of the application of, the suspension no Shares shall participate in the Plan in respect of that dividend despite the entries which may appear in the Register from time to time. The Board may determine to recommence the Plan at any time on such conditions as the Board thinks fit. Upon reinstatement of the Plan, all prior elections are reinstated subject to any Change of Participation Notice validly given by a Participant prior to the next Record Date after the reinstatement of the Plan.
- 18.5 On suspension of the Plan, the Company may in its discretion, retain any cash balances in Participants' DRP accounts until the Plan is reinstated, or distribute those balances to Participants.

- 18.6 On termination of the Plan, the terms of this Plan shall cease to operate except insofar as they apply in respect of Shares acquired under this Plan prior to the date of the termination of the Plan.
- 18.7 In the event of termination, the Company will:
- (a) give notice of the termination to each Participant in such form and in such manner as the Board may, in its absolute discretion, think fit; and
 - (b) send to each Participant a statement of the Participant's DRP account as at the date of termination.

19 Notices

- 19.1 A notice may be given by the Company to any person:
- (a) personally; or
 - (b) by sending it by post to that person at that person's registered address or to the address (if any) supplied by that person to the Company for the purpose of the giving of notices; or
 - (c) by sending it to the fax number or electronic address (if any) nominated by that person; or
 - (d) in the case of an overseas person employed and/or residing overseas, by air mail or to the fax number nominated by that person or such other manner as will ensure prompt receipt by that person; or
 - (e) by any other means determined by the Board in accordance with the provisions of clause 19.4.
- 19.2 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice and to have been effected, in the case of a notice of a meeting, on the day after the date of its posting and in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- 19.3 A notice or letter sent by fax or other electronic means is taken to be given on the Business Day after it is sent.
- 19.4 Notwithstanding the provisions of clause 19.1, if the Board shall determine, a notice may be given by any other means as shall ensure prompt receipt of the notice and service of the notice shall be deemed to be effected if the mode of service of the notice is properly addressed and paid for and lodged for delivery or transmission with a competent authority or body and to have been effected at the time at which in the ordinary course that mode of service of the notice would be delivered.

20 Listing Rules

Notwithstanding anything contained in these Rules, while the Company is admitted to the Official List, the Company:

- (a) shall not knowingly commit or allow to be knowingly committed any breach, contravention or failure to comply with the Listing Rules; and
- (b) to the extent to which any provision of this Plan is inconsistent with the provisions of the Listing Rules, the provisions of the Listing Rules will prevail.