
IRESS MARKET TECHNOLOGY LIMITED

(ABN 47 060 313 359)

IRESS Market Technology Limited Employee Share Option Plan**Rules**

1 Definitions and interpretation

In these Rules, the following words and expressions have the meanings indicated unless the contrary intention appears:

Associate means, in relation to an Employee, a company which, in the opinion of the Board, is controlled by the Employee.

ASX means Australian Stock Exchange Limited.

Board means all or some of the Directors acting as a board.

Company means IRESS Market Technology Limited (ABN 47 060 313 359).

Director means a director of the Company.

Employee means:

- (a) a person whom the Board determines to be in the full-time or part-time employment of a company in the Group; or
- (b) a person whom the Board determines either is, or controls a company which is, engaged as a consultant to provide the person's services to a company in the Group

and excludes the Managing Director.

Employment means employment or engagement, directly or through a controlled company, as a consultant.

Group means the Company and its subsidiaries (as defined in the Corporations Law).

Holder means a person who holds an Option issued under the Plan.

Listing Rules means the Official Listing Rules of the ASX.

Option means an option offered and issued under the Plan to subscribe for Shares.

Plan means the IRESS Market Technology Limited Employee Share Option Plan.

Retirement in relation to an Employee means retirement by the relevant Employee from Employment with any company in the Group at age 55 or over.

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

Total and Permanent Disablement in relation to an Employee means that the Employee has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Employee unlikely ever to engage in any occupation for which he or she is reasonably qualified by education, training or experience.

2 Offer of Options

Eligibility

- 2.1 The Board may offer Options to an Employee having regard to:
- (a) the Employee's length of service with the Group;
 - (b) the potential contribution of the Employee to the Group; and
 - (c) any other matters which the Board considers relevant.

Options must be offered and issued on the terms set out in Rule 4.

Option fee

- 2.2 There is no fee payable by the Employee in respect of an Option issued to that Employee.

3 Maximum number of Options

Options may not be issued to an Employee under this Plan if, immediately following the issue:

- (a) the number of Options which are issued pursuant to this Plan and any other employee incentive scheme of the Company and have neither been exercised nor lapsed would exceed, in aggregate, 7.5% of the total number of Shares in the capital of the Company on issue at that time; or
- (b) the number of Options which are issued to that Employee pursuant to this Plan and any other employee incentive scheme of the Company and have neither been exercised nor lapsed would exceed, in aggregate, 2.25% of the total number of Shares in the capital of the Company on issue at that time.

4 Option Terms

Options must be offered and issued on the following terms:

1. Entitlement

- 1.1 Subject to Option Terms 5 and 6 each Option entitles the Holder to subscribe for and be allotted, credited as fully paid, one fully paid Share in the capital of the Company at an exercise price per Share to be determined by the Board in its absolute discretion, provided that the exercise price per Share is not less than \$0.55.

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- 1.2 Subject to the Rules of the Plan, the Company must allot Shares on exercise of an Option in accordance with the Listing Rules. The Company may defer allotment to the first business day of the following month after exercise in order to allot Shares to all Holders exercising Options during that month. No Option may be exercised if to do so would contravene:
- (a) the Corporations Law or the Listing Rules; or
 - (b) the local laws or customs of an Employee's or the Holder's country of residence or in the opinion of the Board would require actions to comply with those local laws or customs which are impractical.
- 1.3 Shares issued on the exercise of Options will rank pari passu with all existing Shares in the capital of the Company from the date of issue and will be entitled to those dividends which have a record date for determining entitlements after the date of issue.

2. Exercise of Options

- 2.1 An Option is exercisable by the Holder lodging a notice of exercise of Option and application for shares, together with the exercise price for each Share to be issued on exercise and the relevant Option certificate, with the Secretary of the Company.
- 2.2 Options must be exercised in multiples of 1000, unless the Holder exercises all Options able to be exercised at that time. The exercise of some Options only does not affect the Holder's right to exercise other Options at a later time. If the Holder exercises less than all Options represented by a certificate then the Company will cancel the certificate and issue a new certificate for the balance.
- 2.3 Options may only be exercised by a Holder at the times and in the numbers set by the Board at the time of issue of the Options.
- 2.4 The Board may stipulate that Options may only be exercised if the Company achieves stipulated performance benchmarks. The Board may stipulate that some or all Options are exercisable immediately if takeover offers are made for Shares under a takeover bid in accordance with the Corporations Law and both the offeror becomes entitled to more than 50% of the shares the subject of the offers and the offers are made or declared unconditional (other than for prescribed occurrences).
- 2.5 An Option not exercised will lapse on the first to occur of:
- (a) the time determined by the Board set out in the terms of issue;

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- (b) the expiry of five years after the grant of the Option; and
 - (c) the expiry of 30 business days, or any longer period which the Board determines, after the applicable Employee ceases to be Employed by any company in the Group for any reason, other than death, Total and Permanent Disablement or Retirement; and
 - (d) the expiry of 90 business days, or any longer period which the Board determines, after the applicable Employee ceases to be employed by any company in the Group due to the death, Total and Permanent Disablement or Retirement of that Employee;
 - (e) a determination of the Board that the applicable Employee has acted fraudulently, dishonestly or in breach of the Employee's obligations to the Company or any company in the Group and the Option is to be forfeited; and
 - (f) a determination of the Board that, in the case of a Holder which is an Associate of an Employee, that the applicable Employee has ceased to control the Associate.

In this Option Term 2.5 the applicable Employee is:

- (i) if the Holder of the Option is an Employee, that Employee; and
- (ii) if the Holder of the Option is an Associate of an Employee, that Employee.

3. Transfer

3.1 An Option may not be transferred, except:

- (a) at any time, with the consent of the Board, to an Associate of the Employee holding the Option or from the Associate to the Employee; or
- (b) after the Option is exercisable in accordance with the terms of issue of the Options, to any person; or
- (c) after the Board has stipulated that some or all Options are transferable to the offeror under a takeover bid, if takeover offers are made for Shares under a takeover bid in accordance with the Corporations Law and both the offeror becomes entitled to more than 50% of the shares the subject of the offers and the offers are made or declared unconditional (other than for prescribed occurrences),

but only to a transferee who agrees with the Company to be bound by the terms of the Option.

3.2 Options will not be quoted on ASX.

4. **Quotation of Shares**

The Company will make application to ASX for official quotation of shares issued on the exercise of Options, if other Shares of the Company are listed at that time.

5. **Future issues of Shares**

5.1 **Participation in new issues**

The Holder may only participate in new issues of securities to holders of Shares if the Option has been exercised, if that is permitted by its terms, and the shares allotted in respect of the Option before the books closing date for determining entitlements to the issue. The Company must give notice to Holders of any new issue before the books closing date for determining entitlements to the issue in accordance with the Listing Rules.

5.2 **Bonus issue**

If the Company makes a bonus issue of shares or other securities pro rata to holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Shares have been allotted in respect of an Option before the record date for determining entitlements to the bonus issue then the number of securities over which the Option is exercisable will be increased by the number of securities which the Holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

5.3 **Rights issue**

If the Company makes an offer of ordinary shares pro rata to all or substantially all holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) for a subscription price which is less than the market price (defined below as P) and no shares have been allotted in respect of an Option before the record date for determining entitlements to the rights issue then the exercise price per Share will be reduced according to the following formula:

$$O^1 = O - \frac{E(P - (S + D))}{N + 1}$$

Where:

O^1 = The new exercise price of each Option

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- O** = The old exercise price of each Option
- E** = The number of underlying securities into which one Option is exercisable
- P** = The average market price of fully paid ordinary Shares (weighted by reference to volume) sold during the five trading days ending on the day before the ex rights date or ex entitlements date
- S** = Subscription price (application money plus calls) for new shares issued under the rights issue
- D** = Any dividends due but not yet paid on existing Shares (except those to be issued under the rights issue).
- N** = Number of Shares required to be held to receive a right to one new Share.

The number of Shares which the Holder is entitled to subscribe for on exercise of the Option will not change.

6. **Reorganisation**

In the event of any reorganisation of the issued ordinary capital of the Company the number of shares attaching to each Option or the exercise price per Share of an Option or both will be reorganised in accordance with the Listing Rules.

7. **Advice**

The Company must give notice to each Holder of any adjustment to the number of shares which the Holder is entitled to subscribe for or be issued on exercise of an Option or the exercise price per share.

8. **Notices**

Notices may be given by the Company to the Holder in the manner prescribed by the constitution of the Company for the giving of notices to members of the Company and the relevant provisions of the constitution of the Company apply with all necessary modification to notices to Holders.

9. **Right to accounts**

Holdings will be sent all reports and accounts required to be laid before members of the Company in general meeting and all notices of general meetings of members but will not have any right to attend or vote at those meetings.

5 Overriding restrictions on offer, issue and exercise

Notwithstanding any Rule or the terms of any Option no Option may be offered, issued or exercised if to do so:

- (a) would contravene the Corporations Law or the Listing Rules; or
- (b) would contravene the local laws or customs of an Employee's country of residence or in the opinion of the Board would require actions to comply with those local laws or customs which are impractical.

6 Administration of the Plan

- 6.1 The Plan will be administered by the Board in accordance with these Rules. The Board may make regulations for the operation of the Plan which are consistent with these Rules.
- 6.2 Any power or discretion which is conferred on the Board by these Rules may be exercised by the Board in the interests or for the benefit of the Company, and the Board is not, in exercising any such power or discretion, under any fiduciary or other obligation to any other person.
- 6.3 Any power or discretion which is conferred on the Board by these Rules may be delegated by the Board to a committee consisting of such Directors as the Board thinks fit.
- 6.4 The decision of the Board as to the interpretation, effect or application of these Rules will be final and conclusive.

7 Amendments

These Rules may be amended by special resolution of the Company in general meeting in accordance with the Listing Rules. Amendments to the Rules, including the terms of Options, will be taken to amend the terms of Options which have been offered or issued, but not exercised, prior to the amendment.

8 Rights of Holders

Nothing in these Rules:

- (a) confers on any Employee the right to receive any Options;
- (b) confers on any Employee the right to continue as an employee of or consultant to the Company or any of its subsidiaries;
- (c) affects any rights which the Company or a subsidiary may have to terminate the employment or engagement of any Employee;
- (d) may be used to increase damages in any action brought against the Company or a subsidiary in respect of any such termination.