

Performance Rights Plan Rules

Codan Limited (ABN 77 007 590 605)

Performance Rights Plan Rules

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Performance Rights Plan Rules

1 Rules and relationships between parties

1.1 Rules to apply

Performance Rights may be granted by Codan from time to time under the Plan in accordance with these Plan Rules.

1.2 Relationship between parties

For the avoidance of doubt, nothing in these Plan Rules:

- (a) confers on any person any expectation to become a Participant;
- (b) confers on any Participant the right to be invited to apply for, to be offered or to receive any Performance Rights;
- (c) confers on any person the right to continue as an employee of any body corporate in the Codan Group;
- (d) affects any rights which any body corporate in the Codan Group may have to terminate the employment of any person; or
- (e) may be used to increase damages in any action brought against any body corporate in the Codan Group in respect of any such termination.

2 Administration of the Plan

2.1 Administration by the Board

The Plan will be administered by the Board in accordance with these Plan Rules. The Board may make further rules for the operation of the Plan which are consistent with these Plan Rules.

2.2 Board's power and discretion

Any power or discretion which is conferred on the Board by these Plan Rules must be exercised by the Board in the interests or for the benefit of Codan. The Board is not, in exercising any such power or discretion, under any fiduciary or other obligation to any other person.

2.3 Delegation by the Board

Any power or discretion which is conferred on the Board by these Plan Rules may be delegated by the Board to:

- (a) a committee consisting of such Directors, other officers, or employees of Codan, or any combination of such persons as the Board thinks fit;
- (b) a related body corporate of Codan; or

(c) a third party,

for such periods and on such conditions as the Board thinks fit.

2.4 Decisions are final

Except as expressly provided by these Plan Rules, where the Plan Rules provide for a determination, interpretation, decision, approval or opinion of Codan or the Board, such determination, interpretation, approval or opinion will be final and will be in the absolute discretion of Codan or the Board (as applicable).

2.5 Documents

Codan may from time to time require a person invited to participate in the Plan or a Participant to complete and return such other documents as may be required by law to be completed by that person or Participant, or such other documents which Codan considers should, for legal, taxation or administrative reasons, be completed by that person or Participant.

2.6 Board may suspend or cancel the Plan

The Board may from time to time suspend the operation of the Plan and may at any time cancel the Plan. The suspension or cancellation of the Plan must not prejudice the existing rights (if any) of Participants under the Plan.

3 Invitation to participate in the Plan

3.1 Board may invite Executives to apply

The Board may, subject to Rule 3.2 and any approvals of the shareholders of Codan required by law or the Listing Rules, at intervals determined by the Board, invite Executives to apply for Performance Rights.

3.2 Overriding restriction

Notwithstanding any other provision of these Rules, the Board may not invite an Executive to apply for Performance Rights if the aggregate of:

- (a) the number of Shares that would be issued or transferred to the Executive on the exercise of those Performance Rights; and
- (b) the number of Shares held by the Executive,

is greater than or equal to five percent of the total number of issued Shares.

3.3 Terms and conditions

Any such invitation may be on such terms and conditions as the Board decides from time to time, including as to:

- (a) the performance hurdles and Performance Periods applicable to the relevant Executive;

- (b) the number of Performance Rights that the relevant Executive may become entitled to apply for;
- (c) the time when a Performance Right that may be granted to the relevant Executive may become a Qualifying Performance Right and any criteria that needs to be satisfied;
- (d) the Exercise Period applicable to any such Performance Right; and
- (e) the Exercise Price (if any) applicable to the relevant Executive's Performance Rights.

4 Applications to participate in the Plan

4.1 How Executives may apply

To obtain Performance Rights under the Plan an Executive who has received an invitation under Rule 3.1 must make an application in the manner specified in that invitation and in accordance with these Rules.

4.2 Rules and Constitution are binding

By making the application for Performance Rights, the relevant person agrees to be bound by these Rules and the Constitution.

4.3 Form of applications

The application may be in such a form as may be determined by the Board from time to time but must include a confirmation that the relevant person agrees to be bound by these Rules and the Constitution of Codan.

4.4 Grant of Performance Rights

Subject to Rules 4.5 and 4.6, where an Executive makes an application for Performance Rights under Rule 4.1, Codan:

- (a) will grant the Performance Rights to the Participant; and
- (b) may give the Participant a certificate or statement in respect of those Performance Rights.

4.5 When Applications will not be accepted

An Executive's application under Rule 4.1 will not be accepted, and no Performance Rights will be granted to the Executive in respect of that application if, at the date the Performance Rights would otherwise be granted:

- (a) he or she is not an Executive;
- (b) he or she has given their employer within the Codan Group notice of his or her resignation as an Executive; or
- (c) he or she has been given notice of dismissal from employment as an Executive or if, in the opinion of the Board, he or she has tendered his or her resignation to avoid such dismissal.

4.6 Board's discretion

The Board may determine that an application under Rule 4.1 by an Executive who would otherwise be eligible to acquire Performance Rights under the Plan will not be accepted.

5 Nature of Performance Rights

5.1 Nature of Performance Rights

Each Performance Right is a right of a Participant to acquire one Share (whether by way of issue or transfer, at Codan's election), subject to these Rules. A Participant does not have a legal or beneficial interest in any Shares by virtue of acquiring or holding a Performance Right. A Participant's rights under the Performance Right are purely contractual and personal. In particular, a Participant is not entitled to participate in or receive any dividends or other shareholder benefits until their Qualifying Performance Rights have been exercised and Shares have been allocated to the Participant as a result of the exercise of those Qualifying Performance Rights.

5.2 Qualifying Performance Rights

When the Performance Rights held by a Participant become Qualifying Performance Rights, the Participant may exercise the Qualifying Performance Rights subject to these Rules.

6 Lapse of Performance Rights

6.1 When Performance Rights lapse

Subject to Rule 12, any Performance Right that is:

- (a) not exercised within the applicable Exercise Period (including as revised in accordance with these Plan Rules); or
- (b) transferred or purported to have been transferred without the Board's prior written consent,

will automatically lapse at the end of the relevant Exercise Period, or at the time of transfer or purported transfer (as applicable).

6.2 Effect of lapse

Upon the lapse of a Performance Right under these Plan Rules, the Participant will have no further rights or entitlements in relation to that Performance Right.

7 Restrictions on transfer and dealing

7.1 Board consent required

Subject to Rule 7.2 below, Performance Rights can only be transferred with the Board's prior written consent.

7.2 Death or mental incapacity

A legal personal representative of a Participant may be recognised by Codan as a holder of the Participant's Performance Right in circumstances where either the Participant has died or the Participant's estate is liable to be dealt with under the laws relating to mental health, on the production to Codan of documents or other evidence which Codan may reasonably require to establish the entitlement of the legal personal representative.

8 Qualifying Performance Rights

A Performance Right (which has not otherwise lapsed under Rule 6 or Rule 12) becomes a Qualifying Performance Right if:

- (a) the performance hurdles set out in the invitation made in relation to that Performance Right under Rule 3 have been met within the Performance Period;
- (b) an Event occurs; or
- (c) the Performance Right has otherwise become a Qualifying Performance Right under these Rules,

and the Board gives the Participant who holds the Performance Right written notice that the Performance Right may be exercised.

9 Exercise of Qualifying Performance Rights

9.1 Entitlement to a Share on exercise

Each Performance Right that becomes a Qualifying Performance Right entitles the holder to acquire one Share (subject to any adjustment under Rule 11) when exercised in accordance with Rule 9.4.

9.2 Issue or transfer of Shares on exercise

Subject to the Corporations Act and the Listing Rules, Codan must procure the transfer or issue (at its election) of Shares on the exercise of Qualifying Performance Rights in accordance with these Plan Rules. Codan may procure the issue or transfer of these Shares directly to the relevant Participant or a person named by that Participant.

9.3 Shares rank equally

Shares transferred or issued on the exercise of Qualifying Performance Rights will rank equally with all other Shares from the date of allocation of the Shares to the relevant Participant or a person named by that Participant, and that Participant or person will be entitled to receive any dividends that have a Record Date for determining entitlements on and from the date of allocation of the Shares to that Participant or person (as applicable).

9.4 How Qualifying Performance Rights may be exercised

A Performance Right that is a Qualifying Performance Right may be exercised during the Exercise Period applicable to that Performance Right, or as otherwise permitted by the Board under these Plan Rules, by the relevant Participant:

- (a) lodging a notice of exercise of Qualifying Performance Right (in the forms determined by the Board) with the Company Secretary or such other person as the Board designates from time to time; and
- (b) making payment of the applicable Exercise Price (if any) to Codan.

9.5 Minimum number for exercise

A Participant may only exercise their Qualifying Performance Rights in multiples of 100, unless the Participant exercises all of the Qualifying Performance Rights. The exercise of some Qualifying Performance Rights only does not affect the Participant's right to exercise other Qualifying Performance Rights at a later time.

10 Restriction on disposal and risk of forfeiture of Shares

10.1 Request for waiver

Shares issued or transferred on exercise of Qualifying Performance Rights are subject to the restrictions under Rule 10.2, unless the Participant requests that Codan waives those restrictions under Rule 10.2 (such notice to be made at the same time the notice is provided in accordance with Rule 9.4) and that request is approved by Codan.

10.2 Restriction

Subject to Rule 10.1, any Share acquired by a Participant on the exercise of a Qualifying Performance Right must not be disposed of or dealt with in any way by that Participant until the earlier of:

- (a) where a period is determined by the Board for the purpose of this Rule 10.2(a) and set out in the invitation to the Participant under Rule 3.1 to acquire the Performance Right, the expiration of that period ; and
- (b) the time when an event occurs so that the Participant is not employed by any of:
 - (i) Codan or any entity within the Codan Group; and
 - (ii) the company which employed the Participant at the time the Participant acquired the Performance Right, whether or not that company is still within the Codan Group;

- (c) the Board, in its sole and absolute discretion, approving a recommendation by the Board's Remuneration Committee that the restriction on disposal in this Rule 10.2 be released; and
- (d) the end of 7 years commencing on the day the Performance Right was granted to the Participant.

10.3 Enforcing the disposal restriction

Codan may make such arrangements as it considers necessary to enforce the restriction on disposal of Shares under Rule 10.2 and Participants must agree to such arrangements.

10.4 Holding Locks

Without limiting Rule 10.3, and subject to the Listing Rules, Codan may procure that a Holding Lock be put on those Shares while the Shares are subject to the restriction on disposal under Rule 10.2.

10.5 Removing the restriction

As soon as reasonably practicable after the restriction on disposal of a Share under Rule 10.2 no longer applies, Codan must procure that any restriction on dealing with that Share pursuant to these Rules no longer applies.

10.6 Removing Holding Locks

Without limiting Rule 10.5, when a Share is no longer subject to the restriction on disposal in Rule 10.2, Codan must, as soon as reasonably practicable, procure that any Holding Lock on that Share is removed.

10.7 Risk of forfeiture

A Share issued to a Participant on the exercise of a Performance Right is issued to the Participant on the terms that it will be forfeited upon the Participant perpetrating fraud as against Codan or the Codan Group, acting dishonestly or committing a breach of the Participant's obligations to Codan or the Codan Group.

10.8 When risk of forfeiture ceases

The right of Codan to cause a Share held by a Participant to be forfeited under rule 10.7 extinguishes:

- (a) upon the termination of employment of the Participant other than for fraud, dishonesty or a breach of the Participant's obligations to Codan or the Codan Group;
- (b) upon the sale or transfer of the Share by the Participant to a third party; or
- (c) on the day after a period of 7 years from the date of grant of the Performance Right upon the exercise of which the Share was granted.

10.9 Codan to notify and record forfeiture

When a Share is forfeited under rule 10.7, Codan must:

- (a) notify the Participant that the Share is forfeited; and
- (b) record the forfeiture and date of forfeiture in the register of shareholders.

A failure to do this does not invalidate the forfeiture.

10.10 Consequences of forfeiture

The forfeiture of a Share extinguishes:

- (a) the Participant's interest in the Share; and
- (b) all claims against Codan in respect of the Share, including (without limitation) all dividends presently payable by Codan on the Share.

10.11 Disposal of forfeited Share

Subject to the Listing Rules:

- (a) the Participant grants to the Board an irrevocable power of attorney to sell, dispose, transfer or otherwise deal with a forfeited Share on any terms and in any way the Board may decide, with such power able to be exercised by the Board in the event that the Share is liable to be forfeited; and
- (b) if the Board sells, disposes, transfers or otherwise deals with a forfeited Share pursuant to rule 10.11(a), then the Participant acknowledges and agrees that he/she is not entitled to any proceeds in respect of such dealing, and the Board and Codan is not under any obligation to act in the interests of the Participant or to account to the Participant in respect of such dealing and Codan may retain all net proceeds (if any) of any such dealing.

10.12 Waiver by Board

The Board may:

- (a) waive any of the rights of Codan under this rule 10; or
- (b) before any sale, disposal, transfer or other dealing of a forfeited Share, annul the forfeiture on any terms the Board decides.

11 Participation in future issues

11.1 Participation generally

A Performance Right does not entitle the holder to participate in new issues of securities to holders of Shares, unless:

- (a) that Performance Right has become a Qualifying Performance Right and has been exercised; and
- (b) a Share has been issued or transferred to the Participant in respect of that Performance Right,

before the Record Date for determining entitlements to securities under the new issue.

11.2 Notice

Codan must give notice to Participants who hold Qualifying Performance Rights of any new issue of securities not less than 10 Business Days before the Record Date for determining entitlements to securities under the new issue.

11.3 Bonus issues

If:

- (a) Codan 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
- (b) a Performance Right has not been exercised and a Share has not been issued or transferred in respect of that Performance Right before the Record Date for determining entitlements under the bonus issue,

then the terms of that Performance Right will be altered as follows:

- (c) the number of Shares to which the Participant who holds the Performance Right is entitled on exercise of the Performance Right will be increased by the number of Shares that the Participant would have received if the Participant had exercised the Performance Right and acquired a Share in respect of that Performance Right before the Record Date for the bonus issue; and
- (d) the Exercise Price (if any) of the Performance Right will not be altered.

11.4 Reconstruction

If there is any reconstruction of the issued share capital of Codan, the number of Shares to which a Participant is entitled on the exercise of a Performance Right will be reconstructed as required by the Listing Rules in force at the time of the reconstruction and in a manner that will not result in any benefits being conferred on the Participant that are not conferred on shareholders (subject to the provisions with respect to rounding of entitlements as sanctioned by any meeting of shareholders approving the reconstruction of capital), but in all other respects the terms for the exercise of the Performance Rights will remain unchanged.

11.5 Rounding

Before a Performance Right is exercised, all adjustment calculations are to be carried out inclusive of all fractions (in relation to the Shares and the Exercise Price (if any)). On the exercise by a person of a number of Performance Rights, the aggregate number of Shares acquired by that person as a result of that exercise will be rounded down to the nearest whole number and the Exercise Price (if any) will be rounded to the next higher cent.

12 Cessation of employment

12.1 Termination for misconduct etc

Subject to Rules 12.3 to 12.4 below, any Qualifying Performance Rights and Non-Qualifying Performance Rights will lapse immediately on termination of the Participant's employment within the Codan Group for the Participant's misconduct or any other reason justifying termination without notice.

12.2 Termination for other reasons

Subject to Rules 12.3 to 12.4 below:

- (a) a Qualifying Performance Right will lapse at the end of 30 days; and
- (b) a Non-Qualifying Performance Right will lapse immediately,

after the Participant ceases to be an employee in the Codan Group for any reason other than a reason set out in Rule 12.1.

12.3 Death or Total and Permanent Disablement

If a Participant ceases employment within the Codan Group as a result of death or Total and Permanent Disablement:

- (a) Rules 12.1 and 12.2 above will not apply to that Participant's Performance Rights;
- (b) that Participant's Qualifying Performance Rights will remain exercisable by that Participant's estate or legal personal representative who has been recognised by Codan as the holder of the Participant's Performance Rights in accordance with Rule 7.2 until the end of the Exercise Period applicable to those Performance Rights;
- (c) the Board will:
 - (i) determine as soon as reasonably practicable after the date of the Participant's death or Total and Permanent Disablement (as applicable) how many (if any) of that Participant's Non-Qualifying Performance Rights will become Qualifying Performance Rights and, if any become Qualifying Performance Rights, the Exercise Period applicable to those Performance Rights commencing after the date of the Participant's death or Total and Permanent Disablement (as applicable); and

- (ii) notify the Participant's estate or legal personal representative of that determination in accordance with Rule 15 below; and
- (d) the balance of the Participant's Non-Qualifying Performance Rights will lapse immediately after the determination in Rule 12.3(c) is made.

12.4 Redundancy, retirement, cessation by agreement or sale

If a Participant is made redundant or retires, or ceases to be an employee of a member of the Codan Group by agreement with Codan or by reason of the sale of all (or substantially all) of the shares or all (or substantially all) of the assets of a member of the Codan Group to a party outside of the Codan Group:

- (a) Rules 12.1 and 12.2 will not apply to that Participant's Performance Rights;
- (b) that Participant's Qualifying Performance Rights will remain exercisable by the Participant until the end of the Exercise Period applicable to those Performance Rights;
- (c) the Board will:
 - (i) determine as soon as reasonably practicable after the date of the Participant being made redundant, retirement or ceasing to be employed (as applicable) how many (if any) of that Participant's Non-Qualifying Performance Rights will become Qualifying Performance Rights and, if any become Qualifying Performance Rights, the Exercise Period applicable to those Performance Rights commencing after the date the Participant ceases to be an employee within the Codan Group; and
 - (ii) notify the Participant of that determination in accordance with Rule 15 below; and
- (d) the balance of the Participant's Non-Qualifying Performance Rights will lapse immediately after the determination in Rule 12.4(c) is made.

13 Change of tax residency

If a Participant ceases to be an Australian resident for the purposes of the Income Tax Assessment Act 1936 (Cwlth) or the Income Tax Assessment Act 1997 (Cwlth):

- (a) that Participant's Qualifying Performance Rights will remain exercisable by the Participant until the end of the Exercise Period applicable to those Performance Rights;
- (b) the Board will:

- (i) determine as soon as reasonably practicable after the Participant ceases to be an Australian resident for tax purposes how many (if any) of that Participant's Non-Qualifying Performance Rights will become Qualifying Performance Rights and, if any become Qualifying Performance Rights, the Exercise Period applicable to those Performance Rights commencing after the Participant ceases to be an Australian resident for tax purposes; and
- (ii) notify the Participant of that determination in accordance with Rule 14.3 below; and
- (c) the balance of the Participant's Non-Qualifying Performance Rights will lapse immediately after the determination in Rule 13(b) is made.

14 Calculations and determinations

14.1 Force of calculations and determinations

All calculations and determinations made by the Board for the purpose of determining whether Performance Rights have become Qualifying Performance Rights will be final, conclusive and binding on Participants, in the absence of manifest error.

14.2 Fractions

If a calculation performed in accordance with the steps set out in Rules 12 or 13 above results in a fractional number in respect of Performance Rights, the fraction will be eliminated in the following manner:

- (a) if the resulting fraction has a value of 0.5 or more, the fraction will be rounded up to the nearest whole number; and
- (b) if the resulting fraction has a value of less than 0.5, the fraction will be rounded down to the nearest whole number.

14.3 Notice of a determination

If the Board determines that particular Performance Rights are Qualifying Performance Rights, that determination will take effect on the date that the Participants who hold those Performance Rights are given notice that the Performance Rights are Qualifying Performance Rights, and the first day on which the Qualifying Performance Rights can be exercised will be the first day immediately after notice is given by the Board under this Rule.

15 Record of Performance Rights granted

Codan must open and maintain a record in respect of each Participant (for the purposes of book keeping only) which contains the following information:

- (a) the date on which the relevant person became a Participant;

- (b) the performance hurdles and Performance Periods applicable to the relevant person;
- (c) the number of Performance Rights that the relevant person may become entitled to apply for;
- (d) the number of Performance Rights (if any) which the relevant person has been granted and the date of grant;
- (e) the time when a Performance Right that has been granted to the relevant person may become a Qualifying Performance Right and any relevant criteria for that to occur;
- (f) the Exercise Period applicable to that Performance Right (subject to the Exercise Period being revised in accordance with these Plan Rules);
- (g) the Exercise Price (if any) applicable to the Participant's Performance Rights; and
- (h) any other related information which Codan considers appropriate to record.

Each Participant may request a summary of the record relating to their participation in the Plan by sending a notice to the Company Secretary during normal business hours. That summary will be provided to the Participant free of charge within a reasonable time of receiving that request.

16 Amendment of the Plan Rules

Codan may at any time by written instrument, or by resolution of the Board, amend all or any of the provisions of these Plan Rules (including this Rule 16). No amendment to these Plan Rules is to reduce the existing rights of any Participant in respect of any Performance Rights granted to that Participant prior to the date of the amendment, other than with the consent of the Participant or where the amendment is introduced primarily:

- (a) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legal requirements governing or regulating the maintenance or operation of the Plan or like plans;
- (b) to correct any manifest error or mistake;
- (c) to address possible adverse tax implications for Participants generally or any Codan Group company arising from:
 - (i) a ruling of any relevant taxation authority;
 - (ii) a change to tax legislation (including an official announcement by any relevant taxation authority); or
 - (iii) a change in interpretation of tax legislation by a court of competent jurisdiction or by any relevant taxation authority; or

- (d) to enable Codan or any body corporate in the Codan Group to comply with the Corporations Act or the Listing Rules.

17 Definitions

The following words and phrases have these meanings in these Plan Rules and any information booklet, invitation or notice issued or given in connection with the Plan by Codan unless the contrary intention appears:

ASX means Australian Stock Exchange Limited (ABN 98 008 624 691).

Board means the board of directors of Codan.

Codan means Codan Limited (ABN 77 007 590 605).

Codan Group means Codan and each body corporate that is a subsidiary of Codan under Division 6 of Part 1.2 of the Corporations Act.

Company Secretary means the company secretary of Codan.

Constitution means the constitution of Codan, as amended or replaced from time to time.

Corporations Act means the Corporations Act 2001 (Cwlth).

Event means a time when any of the following have occurred:

- (a) if, under a Takeover Bid or otherwise, a person together with his or her associates acquires Shares which, when aggregated with Shares already acquired by such person and their associates, comprise more than 50% of the issued Shares of the Company and, in the case of a Takeover Bid, the Takeover Bid is or has become unconditional;
- (b) pursuant to an application made to the court under section 411 of the Corporations Act, the court orders a meeting to be held in relation to a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company; or
- (c) Codan passes a resolution for voluntary winding up; or
- (d) an order is made for the compulsory winding up of Codan.

Executive means an employee of a member of the Codan Group who is concerned, or takes part, in the management of a member of the Codan Group, as determined by the Board from time to time.

Exercise Period means, in relation to a Performance Right:

- (a) the 12 month period;
- (b) the period otherwise determined by the Board in its absolute discretion to be the Exercise Period and set out in the invitation made in respect of that Performance Right under Rule 3.1; or

(c) the period otherwise determined to be the Exercise Period under Rules 12 or 13 from time to time,

commencing on the date on which the Performance Right becomes a Qualifying Performance Right or as set out in Rule 14.3.

Exercise Price means the amount (if any) which is payable on the exercise of a Qualifying Performance Right, as determined by the Board and set out in the invitation made in respect of the Performance Right under Rule 3.1. If no determination is made, the applicable Exercise Price is nil.

Former Executive means a person who was formerly an Executive.

Holding Lock has the meaning given to that term in the Listing Rules.

Listing Rules means the Listing Rules of ASX from time to time.

Non-Qualifying Performance Right means a Performance Right which is not a Qualifying Performance Right.

Participant means an Executive or Former Executive who holds a Performance Right.

Performance Period means, in relation to a Performance Right, the financial year of Codan or other period determined by the Board in respect of which the Board will assess the performance of the Participant or the Codan Group, or both (as applicable) against the performance hurdles specified in the invitation made in relation to that Performance Right under Rule 3.1.

Performance Right means a right to acquire a Share (by transfer or issue at the election of Codan) granted under the Plan subject to the Rules.

Plan means the Codan Performance Rights Plan established and operated under these Rules.

Qualifying Performance Right means a Performance Right which is exercisable under these Plan Rules.

Record Date has the meaning given to that term in the Listing Rules.

Rules means these rules, adopted by the Board on *24 September 2004*, as amended from time to time.

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

Takeover Bid has the meaning given in section 9 of the Corporations Act.

Total and Permanent Disablement means, in relation to a Participant, that the Participant has, in the reasonable opinion of the Board, become permanently incapacitated to such an extent as to render the Participant unlikely to engage in the Participant's usual occupation again.