

Rules of the SKYCITY Restricted Share Rights Plan

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1. The Plan

These are the Rules of the SKYCITY Restricted Share Rights Plan.

2. Definitions

2.1 Definitions

In these Rules, except where the context otherwise requires:

Board means the board of directors of the Company from time to time;

Breach means breach of the Company's constitution, the Listing Rules, any applicable statute or regulation and/or the Company's internal procedures for securities trading;

Business Day means a day on which the markets operated by NZX Limited are open for trading;

Company means SKYCITY Entertainment Group Limited;

Eligible Employee means an Employee who has been selected by the Board to receive an Offer of Restricted Share Rights under the Plan;

Employee means a person who is an employee of the Company or of any Group Company;

Exchange means NZX Limited and/or ASX Limited or, if the Board determines otherwise, such other stock exchange on which Shares are quoted;

Financial Year means a 12 month accounting period of the Company adopted for purposes of its statutory financial reporting obligations;

Group Company means any subsidiary (within the meaning of that term in section 5 of the Companies Act 1993) of the Company;

Issue Date means the date the Restricted Share Rights are issued to a Participant as stated in the relevant Offer;

Listing Rules means the listing rules of each Exchange which are applicable to the Company, as amended or substituted from time to time;

Offer means an offer of Restricted Share Rights made under clause 3.1(a);

Participant means an Eligible Employee to whom an Offer has been made to participate in the Plan and whose application has been accepted by the Company;

Performance Measures has the meaning given to that term in clause 3.1(a);

Plan means the SKYCITY Restricted Share Rights Plan as administered in accordance with the Rules;

Restricted Share Right means a right granted pursuant to these Rules to subscribe for or take a transfer of Shares upon and subject to the terms of these Rules and the terms of issue of the Restricted Share Right (including as stated in the relevant Offer);

Rules means these terms and conditions of the Plan, as amended from time to time;

Share means an ordinary share in the capital of the Company;

Shareholder means the holder of a Share;

Vested means, in respect of any Restricted Share Rights, once the Vesting Condition has been satisfied as determined by the Board, or waived by the Board at its discretion, and provided that the Restricted Share Right has not lapsed;

Vesting Condition means the Condition specified in clause 5.1 or such other conditions determined by the Board in its discretion applicable to the Restricted Share Rights pursuant to clause 5.2; and

Vesting Date means, in respect of any Restricted Share Rights of an Eligible Employee, the date applicable to those Restricted Share Rights set out in the Offer made to that Eligible Employee.

2.2 Construction and interpretation

In these Rules, unless the context otherwise requires:

- (a) a reference to a clause is a reference to a clause of these Rules;
- (b) one person being **controlled** by another person means that the other person (whether directly or indirectly and whether by the ownership of share capital, the possession of voting power, contract or otherwise) has the power to appoint and/or remove the majority of the members of the governing body of that person, or to appoint a member or members of the governing body of that person who is or are in a position to cast, or control the casting of, more than one half of the maximum number of votes that might be cast at a meeting of that governing body, or otherwise controls or has the power to control the affairs and policies of that person, or is in a position to derive the whole or substantial part of the benefit of the existence or activities of that person and **control** shall be construed accordingly;
- (c) a reference to a person includes any individual, partnership, committee and incorporated or unincorporated body (whether or not having a separate legal personality);
- (d) words denoting the singular shall include the plural and vice versa;
- (e) a reference to these Rules or another document or instrument includes any variation, novation or replacement of them;
- (f) a reference to any legislation or any provision of any legislation includes any modification or re-enactment of the legislation or any legislative provision substituted for, and all legislation and statutory instruments and regulations issued under, legislation; and
- (g) where any matter is to be determined by the Company or the Board, that matter will be determined in the sole discretion of the Board, whose determination will be final and binding in all respects.

3. Offer of Restricted Share Rights

3.1 Invitation and issue of Restricted Share Rights

- (a) The Board may, from time to time, subject to these Rules and at its discretion make an Offer of Restricted Share Rights to an Eligible Employee, with such rights to be issued subject to:
 - (i) certain agreed financial and/or non-financial measures as part of that Eligible Employee's short term incentive remuneration (**Performance Measures**) being met; and
 - (ii) that Eligible Employee remaining employed by the Company or a Group Company throughout the period from the date the Offer of Restricted Share Rights is made to them until (and including) the applicable Issue Date.
- (b) The number of Restricted Share Rights that are to be issued to an Eligible Employee will be determined by the Board following determination by the Company's Chief Executive Officer as to whether the Eligible Employee has achieved his or her Performance Measures.
- (c) Restricted Share Rights offered under clause 3.1(a) will be issued on a date determined by the Board.

3.2 Procedures

The Board will determine the procedures for making an Offer, including the form and content of any Offer or acceptance procedure.

3.3 Terms and conditions of Offer

An Offer will be subject to such terms and conditions, and with such Performance Measures and Vesting Conditions, as the Board determines provided that such terms and conditions are consistent with these Rules. The terms and conditions which may apply with respect to the grant of Restricted Share Rights (including as to Performance Measures) may vary between Employees and between Offers.

3.4 No Payment

No payment is required to be made by an Eligible Employee to accept an Offer of Restricted Share Rights or upon receipt of Shares with respect to any Restricted Share Rights which have Vested.

3.5 Quotation

The Company will not apply, or be required to apply, for quotation of Restricted Share Rights on any Exchange.

4. Acceptance

4.1 Manner of acceptance

An Eligible Employee who wishes to accept an Offer must provide to the Company on or before the relevant date specified in the Offer:

- (a) a valid acceptance form or other confirmation of acceptance, signed by the Eligible Employee if required by the Board; and
- (b) any other document or information prescribed in the Offer.

4.2 Acknowledgements

By participating in the Plan, an Eligible Employee:

- (a) acknowledges that these Rules are binding and constitute an agreement between the Eligible Employee and the Company;
- (b) acknowledges that participation in the Plan does not:
 - (i) confer any right to continued employment;
 - (ii) affect the terms of the Eligible Employee's employment; or
 - (iii) impose any obligation on the Company to offer further Restricted Share Rights in the Plan, or create any right or expectation of the grant of Restricted Share Rights on the same basis or at all, in the future;
- (c) acknowledges that he or she has no right to compensation for any loss in relation to the Plan, including:
 - (i) any loss or reduction of any rights or expectations under the Plan in any circumstances or for any reason (including termination of employment);
 - (ii) any exercise of a discretion or a decision taken in relation to a grant of Restricted Share Rights or in relation to the Plan, or any failure to exercise a discretion under these Rules; or
 - (iii) the operation, suspension, termination or amendment of the Plan; and
- (d) acknowledges that he or she is responsible for compliance with all applicable tax laws and the payment of any tax which may be payable as a consequence of participating in the Plan (except where the Company is required to deduct or withhold tax by law, including PAYE and PAYG).

4.3 Rules binding

Restricted Share Rights must be issued in accordance with these Rules and each Eligible Employee to whom Restricted Share Rights are granted will be taken to have agreed to be

bound by these Rules and the terms upon which those Restricted Share Rights were granted.

4.4 **No breach**

Participation by an Eligible Employee in the Plan and acceptance of an Offer will be invalid and of no effect if it would give rise to a Breach.

5. **Vesting**

5.1 **Vesting Condition**

- (a) Subject to clauses 5.2 and 5.5, the Restricted Share Rights issued under an Offer (following the requirements in clause 3.1(a) being met) will only Vest if the relevant Participant remains employed by the Company or a Group Company throughout the period from the date the Offer of Restricted Share Rights is made to them until (and including) the Vesting Date applicable to the relevant Restricted Share Rights.
- (b) Restricted Share Rights issued following acceptance of an Offer may be divided into tranches with different Vesting Dates, as notified in the relevant Offer.

5.2 **Variations to Vesting Condition**

The Board may, with respect to an Offer of Restricted Share Rights, apply a Vesting Condition or Vesting Conditions other than as specified in clause 5.1 to Restricted Share Rights by specifying that other Vesting Condition or other Vesting Conditions in the terms of that Offer.

5.3 **Vesting notification**

If any Restricted Share Rights have Vested, the Board will give notice to the relevant Participant specifying the number of Restricted Share Rights which have Vested to that Participant.

5.4 **Allocation**

Following the Vesting of a Restricted Share Right, the Company must, as soon as reasonably practicable and within any timeframe specified by the Listing Rules, but subject to any restrictions imposed by law and/or the Company's securities trading policy, issue to, or procure the transfer to, the relevant Participant a number of Shares in respect of which the Restricted Share Rights have Vested (being one Share in respect of each Restricted Share Right (subject to any adjustment under clause 7.1)).

5.5 **Accelerated Vesting**

The Board may, on such conditions as it sees fit, determine that some or all of a Participant's Restricted Share Rights will Vest prior to the satisfaction of all Vesting Conditions applicable to those Restricted Share Rights where:

- (a) that Participant dies in service;
- (b) clause 8.2 is applicable;
- (c) the Shares will, or are expected to, cease to be listed on an Exchange; or

- (d) other circumstances occur where such an early Vesting is considered appropriate by the Board.

Where the Board determines that only some of a Participant's Restricted Share Rights have Vested, the balance of that Participant's Restricted Share Rights will (unless the Board determines otherwise) not be treated as Vested and will continue to be subject to these Rules.

6. Divestment, voting and distributions

6.1 Restrictions on divestment

A Participant may not (including by operation of law) transfer, assign or otherwise dispose of or create any interest (including security, legal or equitable interest) in favour of any third party over or in relation to any Restricted Share Right or any right or benefit under the Plan, unless the Board, in writing, waives this restriction. Any waiver granted by the Board may be subject to conditions as determined by the Board. Any purported transfer, assignment, disposition or creation of any such interest in breach of this clause 6.1 will be void.

6.2 Restrictions on voting and distributions

No Restricted Share Right will entitle a Participant to receive dividends or other distributions from, or vote in respect of, Shares or participate in any new issue of securities by the Company unless expressly permitted by these Rules and the Listing Rules.

6.3 Payment in lieu of dividends

Notwithstanding clause 6.2, the Board may (in its sole discretion), as a term of any Offer of Restricted Share Rights to Eligible Employees, also provide that, if any Restricted Share Rights have Vested, any dividends declared by the Company and which have a record date in the period between the issue of those Restricted Share Rights and the transfer or issue of Shares applicable to those Restricted Share Rights, be paid (in cash) to a Participant (but excluding any right to imputation credits, franking credits or similar benefits in respect of such dividends) on such date as the Board determines.

7. Events prior to Vesting of Restricted Share Rights

7.1 Adjustments

If prior to the Vesting of a Restricted Share Right:

- (a) further securities are issued by way of bonus issue to Shareholders;
- (b) the Company makes or announces any rights issue, or other offer to Shareholders to take up Shares or other securities;
- (c) any consolidation or subdivision of Shares, Share buyback, amalgamation, or other reconstruction of or adjustment to the Shares or the share structure of the Company, of any nature whatsoever, is made or announced; or
- (d) the Company undertakes any other change to its capital structure not referred to in (a), (b) or (c) above,

the Company may make such adjustments or alterations to the terms of an Offer of Restricted Share Rights, as in the reasonable opinion of the Board are necessary to ensure

that, so far as is reasonably possible, no benefit is conferred on the relevant Participant that is not conferred on Shareholders (and vice versa) as a result of the event referred to in (a), (b), (c) or (d) above. No such arrangement or alteration shall be made if that arrangement or alteration would cause a Breach.

7.2 **Change of control**

If prior to the Vesting of a Restricted Share Right, there occurs a change of control of the Company, the Board may, in its absolute discretion, and subject to such conditions as it thinks fit, declare that some or all Restricted Share Rights which have not Vested will Vest notwithstanding that all applicable Vesting Conditions have not been satisfied.

8. **Lapse of Restricted Share Rights**

8.1 **Lapse events**

Unless otherwise determined by the Board at its discretion or, if clause 8.2 applies, a Restricted Share Right will lapse on the date on which the relevant Participant ceases to be employed by the Company or a Group Company.

8.2 **Determination by Board**

The Board may, subject to such conditions as it sees fit, determine that Restricted Share Rights issued to a Participant will not lapse, including without limitation, if that Participant has:

- (a) ceased to be an Employee by reason of injury, permanent disability, ill health or redundancy; or
- (b) died.

For the purpose of this clause 8.2, a redundancy means the termination of employment of a Participant where:

- (a) pursuant to the terms of his or her individual employment agreement, that Participant is regarded as redundant (or an equivalent term); or
- (b) that Participant's employment is terminated where the Board in its discretion determines that such termination constitutes redundancy.

In exercising this discretion, the Board shall have regard to such factors as the Board determines in its absolute discretion.

9. **Shares allocated**

Any Shares issued or transferred to a Participant under these Rules in relation to the Plan will be fully paid and will rank equally in all respects with the Shares on issue at the issue date, except for any dividend or other entitlement in respect of which a record date occurred prior to the date of allocation of the Shares in accordance with clause 5.4.

10. **Insider trading restrictions**

Notwithstanding any other provision in these Rules, the issue and transfer of Shares and the issue of Restricted Share Rights to a Participant will at all times be subject to compliance with insider trading and related restrictions and, unless exempted by the Board, the Company's securities trading policy and all other Company policies applicable to that Participant.

11. **Administration and disputes**

11.1 **Guidelines**

The Board is authorised, subject to the provisions of these Rules, to establish such guidelines for the administration of the Plan as it deems appropriate.

11.2 **Delegation**

The Board may delegate (to the extent permitted by law) to any person or committee (and revoke any delegation of) any or all of its powers, discretions, rights and obligations under the Rules or otherwise in respect of the Plan from time to time as it sees fit, and references to the Company and the Board will be construed accordingly.

11.3 **Disputes**

Any dispute, disagreement or uncertainty in relation to the interpretation of the Plan or these Rules, or as to any question or right arising from or related to the Plan or these Rules shall be determined by the Board whose decision shall be final and binding in all respects.

12. **Employment rights**

Each Participant waives all rights to compensation or damages in consequence of the termination of that Participant's employment with the Company or any other Group Company for any reason whatsoever insofar as those rights arise, or may arise, from his or her ceasing to be entitled to benefits under the Plan as a result of such termination.

13. **Application of Listing Rules**

The provisions of the Listing Rules will apply to the Plan and, to the extent that these Rules and the Listing Rules are inconsistent, the Listing Rules will prevail (unless the Company is exempted or granted a waiver from compliance with a relevant Listing Rule).

14. **Amendment of Plan**

14.1 **Amendment generally**

The Board may amend these Rules in such a manner as it thinks fit, provided that such amendment would not adversely affect the position of a Participant. No such amendment will be made if it would cause a breach of the Listing Rules. Subject to the above, an amendment may be retrospective and/or prospective in effect.

14.2 **Suspension or termination**

The Board may suspend or terminate the Plan in its discretion except that termination of the Plan while any unvested Restricted Share Rights are on issue will not affect those Restricted Share Rights and these Rules will continue to apply to them.

15. **Notice**

15.1 **Correspondence from Participant**

Any correspondence from a Participant to the Company or the Board must be delivered or posted to the registered office of the Company or to such other address as may be notified by the Board in writing.

15.2 **Correspondence from Company**

Any correspondence from the Company or the Board to a Participant will be delivered to that Participant (including by email) or posted to his or her home address.

16. **Tax**

16.1 **Responsibility of Participants**

Unless required by law, the Company is not responsible for any tax which may become payable by a Participant as a consequence of or in connection with the grant of any Restricted Share Rights or the allocation, issue or transfer of any Shares to that Participant.

16.2 **Indemnity**

Each Participant agrees to indemnify any Group Company for any tax arising from an election made to account for PAYE, PAYG or any similar tax applying to share scheme benefits in relation to the delivery of Shares to that Participant (the **Election**). Each Participant agrees to allow the Company to sell or retain a sufficient number of Shares held on behalf of that Participant or to which that Participant is entitled pursuant to the Plan to cover any tax that may result from the Election.

17. **Governing law**

These Rules and the Plan will be governed by and construed in accordance with New Zealand law. By participating in the Plan, a Participant submits to the exclusive jurisdiction of the courts of New Zealand