



Federal Court of Australia

District Registry: New South Wales

Division: General

No: NSD1260/2018

J.P. MORGAN OPERATIONS AUSTRALIA LIMITED ACN 006 344 341 and others
named in the schedule
Plaintiff

J.P. MORGAN AUSTRALIA GROUP PTY LIMITED ACN 104 888 155 and others
named in the schedule
Defendant

ORDER

JUDGE: JUSTICE FARRELL

DATE OF ORDER: 07 August 2018

WHERE MADE: Sydney

THE COURT ORDERS THAT:

1. Pursuant to section 411(4)(b) of the *Corporations Act 2001* (Cth) (**Act**), the schemes of arrangement (collectively, "**Scheme**") the subject of the scheme document, a copy of which is **Annexure A** to these orders (**Scheme Document**), be approved.
2. Pursuant to section 411(12) of the Act, the plaintiffs be exempted from compliance with the requirements of section 411(11) of the Act.
3. Orders 5 to 11 below are made pursuant to section 413 of the Act for the purpose of facilitating the Scheme and are subject to, and in accordance with, the terms of the Scheme Document. In the orders below, capitalised nouns and acronyms not defined in order 1 have the meanings given to them by the Scheme Document.
4. Pursuant to section 413(1)(g) of the Act, orders 5 to 11 below have effect:
 - a) in respect of orders 5, 6 and 7, sequentially in the order set out below at and following the JPMAL, JPMIAPL and JPMMAPL Implementation Time;
 - b) subject to completion of orders 5, 6 and 7, in respect of order 8 only, at the JPMIAPL and JPMMAPL Deregistration Time;
 - c) subject to completion of orders 5, 6 and 7 and subject to the satisfaction of the JPMOAL Condition, in respect of order 9, sequentially in the order set out below at and following the JPMOAL Implementation Time;



- d) subject to completion of orders 5, 6, 7 and 9 and subject to the satisfaction of the JPMOAL Condition, in respect of order 10 only, at the JPMOAL Deregistration Time; and
- e) in respect of order 11, immediately upon the making of these orders by the Court.

The JPMMAPL Share Transfer Scheme

- 5. Pursuant to section 413(1)(a) and (b) of the Act, from the JPMAL, JPMIAPL and JPMMAPL Implementation Time, all of the shares in JPMMAPL held by JPMOAL be transferred to JPMASAL in consideration for the issue by JPMASAL of 190,000,000 of its ordinary shares to JPMOAL.

The JPMAL, JPMIAPL and JPMMAPL Share Transfer Schemes

- 6. Pursuant to section 413(1)(a) and (b) of the Act, subject to the completion of the steps in order 5, from the JPMAL, JPMIAPL and JPMMAPL Implementation Time:
 - a) all of the shares in JPMAL held by JPMASAL be transferred to JPMSAL in consideration for the issue by JPMSAL of 150,000,000 of its ordinary shares to JPMASAL for a value of \$150,000,000;
 - b) all of the shares in JPMIAPL held by JPMASAL be transferred to JPMSAL in consideration for the issue by JPMSAL of 755,000 of its ordinary shares to JPMASAL for a value of \$5,000,000; and
 - c) all of the shares in JPMMAPL held by JPMASAL be transferred to JPMSAL in consideration for the issue by JPMSAL of 190,000,000 of its ordinary shares to JPMASAL for a value of \$194,869,633.

The JPMAL, JPMIAPL and JPMMAPL Schemes

- 7. Subject to the completion of the steps in order 6, from the JPMAL, JPMIAPL and JPMMAPL Implementation Time:
 - a) pursuant to section 413(1)(a) of the Act, all Assets of JPMAL excluding the JPMAL Remaining Asset be transferred to, and vested in, JPMSAL, including crediting the retained earnings and reserve accounts of JPMSAL with the balances of the retained earnings and reserve accounts held by JPMAL immediately before the Implementation Time, without the need for any further act or deed;
 - b) pursuant to section 413(1)(g) of the Act, all Powers of Attorney granted by JPMAL as principal be transferred to, and vested in, and constitute Powers of Attorney of, JPMSAL as principal, including all Powers of Attorney granted by JPMAL as principal which are subsisting and unrevoked immediately before the Implementation Time, without the need for any further act or deed;



- c) pursuant to section 413(1)(a) of the Act, all Liabilities of JPMAL be transferred to, and become Liabilities of, JPMSAL without the need for any further act or deed;
- d) pursuant to section 413(1)(c) of the Act, all legal proceedings pending by or against JPMAL be continued by or against JPMSAL without the need for any further act or deed, other than an amendment of the record of the relevant court or tribunal;
- e) pursuant to section 413(1)(a) of the Act, all Assets of JPMIAPL be transferred to, and vested in, JPMSAL, including crediting the retained earnings and reserve and share capital accounts of JPMSAL with the balances of the retained earnings and reserve and share capital accounts held by JPMIAPL immediately before the Implementation Time, without the need for any further act or deed;
- f) pursuant to section 413(1)(g) of the Act, all Powers of Attorney granted by JPMIAPL as principal be transferred to, and vested in, and constitute Powers of Attorney of, JPMSAL as principal, including all Powers of Attorney granted by JPMIAPL as principal which are subsisting and unrevoked immediately before the Implementation Time, without the need for any further act or deed;
- g) pursuant to section 413(1)(a) of the Act, all Liabilities of JPMIAPL be transferred to, and become Liabilities of, JPMSAL without the need for any further act or deed;
- h) pursuant to section 413(1)(c) of the Act, all legal proceedings pending by or against JPMIAPL be continued by or against JPMSAL without the need for any further act or deed, other than an amendment of the record of the relevant court or tribunal;
- i) pursuant to section 413(1)(a) of the Act, all Assets of JPMMAPL be transferred to, and vested in, JPMSAL, including crediting the retained earnings and reserve and share capital accounts of JPMSAL with the balances of the retained earnings and reserve and share capital accounts held by JPMMAPL immediately before the Implementation Time, without the need for any further act or deed;
- j) pursuant to section 413(1)(a) and (g) of the Act, all Client Money, and all rights, powers, duties and obligations relating to Client Money, held by JPMMAPL (including all Client Money, and all rights, powers, duties and obligations relating to Client Money, held by JPMMAPL immediately before the Implementation Time), be transferred to and vested in, and held for and on behalf of, the relevant Client by JPMSAL, without the need for any further act or deed;



- k) pursuant to section 413(1)(g) of the Act, all Powers of Attorney granted by JPMMAPL as principal be transferred to, and vested in, and constitute Powers of Attorney of, JPMSAL as principal, including all Powers of Attorney granted by JPMMAPL as principal which are subsisting and unrevoked immediately before the Implementation Time, without the need for any further act or deed;
 - l) pursuant to section 413(1)(a) of the Act, all Liabilities of JPMMAPL be transferred to, and become Liabilities of, JPMSAL without the need for any further act or deed; and
 - m) pursuant to section 413(1)(c) of the Act, all legal proceedings pending by or against JPMMAPL be continued by or against JPMSAL without the need for any further act or deed, other than an amendment of the record of the relevant court or tribunal.
8. Pursuant to section 413(1)(d) of the Act, subject to the completion of the steps in order 7, at the JPMIAPL and JPMMAPL Deregistration Time, each of JPMIAPL and JPMMAPL be deregistered by ASIC without winding up.

The JPMOAL Schemes

9. Subject to completion of the steps in order 7 and satisfaction of the JPMOAL Condition, from the JPMOAL Implementation Time:
- a) pursuant to section 413(1)(a) and (b) of the Act, 1,093,551,751 ordinary shares in JPMASAL be issued to JPM Australia for a value of \$1,093,551,520;
 - b) pursuant to sections 413(1)(g) and 259A(c) of the Act, all of the ordinary shares in JPMASAL issued to JPMOAL be acquired by JPMASAL;
 - c) pursuant to section 413(1)(g), the shares acquired by JPMASAL under order 9(b) be cancelled;
 - d) pursuant to section 413(1)(a) of the Act, all Assets of JPMOAL be transferred to, and vested in, JPMASAL, including crediting the retained earnings and reserve and share capital accounts of JPMASAL with the balances of the retained earnings and reserve and share capital balances held by JPMOAL immediately before the Implementation Time, without the need for any further act or deed;
 - e) pursuant to section 413(1)(g) of the Act, all Powers of Attorney granted by JPMOAL as principal be transferred to, and vested in, and constitute Powers of Attorney of, JPMASAL as principal, including all Powers of Attorney granted by JPMOAL as principal which are subsisting and unrevoked immediately before the Implementation Time, without the need for any further act or deed;



- f) pursuant to section 413(1)(a) of the Act, all Liabilities of JPMOAL be transferred to, and become Liabilities of, JPMASAL without the need for any further act or deed; and
 - g) pursuant to section 413(1)(c) of the Act, all legal proceedings pending by or against JPMOAL be continued by or against JPMASAL without the need for any further act or deed, other than an amendment of the record of the relevant court or tribunal.
10. Pursuant to section 413(1)(d) of the Act, subject to the completion of the steps in order 9 and satisfaction of the JPMOAL Condition, at the JPMOAL Deregistration Time, JPMOAL be deregistered by ASIC without winding up.
 11. These orders be entered forthwith.
 12. Liberty be granted to any party to apply for any further orders pursuant to section 413 of the Act as to the Court seems necessary or desirable.

Date that entry is stamped: 7 August 2018

Warrick Soden
Registrar



Schedule

No: NSD1260/2018

Federal Court of Australia
District Registry: New South Wales
Division: General

Second Plaintiff	J.P. MORGAN ADMINISTRATIVE SERVICES AUSTRALIA LIMITED ACN 001 531 586
Third Plaintiff	J.P. MORGAN AUSTRALIA LIMITED ACN 002 888 011
Fourth Plaintiff	J.P. MORGAN MARKETS AUSTRALIA PTY LIMITED ACN 004 384 687
Fifth Plaintiff	JPMORGAN INVESTMENTS AUSTRALIA PTY LIMITED ACN 056 751 716
Second Defendant	J.P. MORGAN SECURITIES AUSTRALIA LIMITED ACN 003 245 234
Third Defendant	J.P. MORGAN ADMINISTRATIVE SERVICES AUSTRALIA LIMITED ACN 001 531 586



ANNEXURE A TO ORDERS MADE ON 7 AUGUST 2018

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Scheme of Arrangement

For the Reconstruction of the
JPM Australia Group



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SCHEME OF ARRANGEMENT

BACKGROUND

- (A) The members of each Scheme Company hold shares in their respective Scheme Companies.
- (B) The shares held by each member of the Scheme Companies are valuable property of each member.
- (C) Each Scheme Company proposes a compromise or arrangement with their respective members for the purposes of or in connection with a scheme which involves the reconstruction or amalgamation of each Scheme Company (**Reconstruction or Amalgamation**).
- (D) Under the Reconstruction or Amalgamation:
- (a) (**JPMAL, JPMIAPL and JPMMAPL transfers and JPMIAPL and JPMMAPL deregistrations**):
- (i) (**JPMMAPL shares**) all of the shares in JPMMAPL held by JPMOAL will be transferred to JPMASAL as the Transferee Company in consideration for the issue by JPMASAL as the Transferee Company of shares to JPMOAL;
- (ii) (**JPMAL, JPMIAPL and JPMMAPL shares**) all of the shares in each of JPMAL, JPMIAPL and JPMMAPL held by JPMASAL will be transferred to JPMSAL as the Transferee Company in consideration for the issue by JPMSAL as the Transferee Company of shares to JPMASAL;
- (iii) (**property**) all of the Assets of each of JPMAL, JPMIAPL and JPMMAPL will be transferred to and vested in JPMSAL as the Transferee Company without the need for any further act or deed, including crediting the retained earnings and reserve and share capital accounts of JPMSAL with the balances of the retained earnings and reserve accounts held by each of JPMAL, JPMIAPL and JPMMAPL immediately before the Implementation Time and with the balances of the share capital accounts held by each of JPMIAPL and JPMMAPL immediately before the Implementation Time but excluding, in the case of JPMAL as Scheme Company, the JPMAL Remaining Asset;
- (iv) (**Client Money**) all Client Money, and/or all rights, powers, duties and obligations relating to Client Money, of JPMMAPL as the Scheme Company will be transferred to, and vested in, and held for and on behalf of the relevant Client by, JPMSAL as the Transferee Company without the need for any further act or deed;
- (v) (**Powers of Attorney**) all Powers of Attorney granted by each of JPMAL, JPMIAPL and JPMMAPL as the Scheme Companies as principal will be transferred to, and vested in, and constitute Powers of Attorney of, JPMSAL as the Transferee Company as principal without the need for any further act or deed;
- (vi) (**liabilities**) all of the Liabilities of each of JPMAL, JPMIAPL and JPMMAPL as the Scheme Companies will be transferred to and become Liabilities of JPMSAL as the Transferee Company without the need for any further act or deed;

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(vii) **(legal proceedings)** all legal proceedings pending by or against each of JPMAL, JPMIAPL and JPMMAPL as the Scheme Companies will be continued by or against JPMSAL as the Transferee Company without the need for any further act or deed other than an amendment of the record of the relevant court or tribunal; and

(viii) **(deregistration)** each of JPMIAPL and JPMMAPL will be deregistered by ASIC without winding up on a date at least 2 Business Days after the implementation of the steps set out in sub-clauses (a)(i) to (a)(vii),

(being the Schemes contemplated by clauses 4.2 to 4.7 and defined as, together, the **JPMAL, JPMIAPL and JPMMAPL Schemes**); and

(b) **(JPMOAL transfers and deregistration)**: subject to completion of the steps set out in sub-clauses (a)(i) to (a)(vii) and to the satisfaction of the JPMOAL Condition:

(i) **(JPMASAL shares)**:

(A) 1,093,551,751 ordinary shares in JPMASAL will be issued to JPM Australia for a value of \$1,093,551,520; and

(B) all of the ordinary shares in JPMASAL issued to JPMOAL will be transferred to JPMASAL and cancelled;

(ii) **(property)** all of the Assets of JPMOAL will be transferred to and vested in JPMASAL as the Transferee Company without the need for any further act or deed, including crediting the retained earnings and reserve and share capital accounts of JPMASAL with the balances of the retained earnings and reserve and share capital balances held by JPMOAL immediately before the Implementation Time;

(iii) **(Powers of Attorney)** all Powers of Attorney granted by JPMOAL as the Scheme Company as principal will be transferred to, and vested in, and constitute Powers of Attorney of, JPMASAL as the Transferee Company as principal without the need for any further act or deed;

(iv) **(liabilities)** all of the Liabilities of JPMOAL as the Scheme Company will be transferred to and become Liabilities of JPMASAL as the Transferee Company without the need for any further act or deed;

(v) **(legal proceedings)** all legal proceedings pending by or against JPMOAL as the Scheme Company will be continued by or against JPMASAL as the Transferee Company without the need for any further act or deed other than an amendment of the record of the relevant court or tribunal; and

(vi) **(deregistration)** JPMOAL will be deregistered by ASIC without winding up on a date at least 2 Business Days after the implementation of the steps set out in sub-clauses (b)(i) to (b)(v),

(being the Schemes contemplated by clauses 4.8 and 4.9 and defined as, together, the **JPMOAL Schemes**).

(E) The Reconstruction or Amalgamation will affect the rights which each member has as against their respective Scheme Company as a shareholder and diminish the value of each members' property represented by its shareholding in the Scheme Company, and each

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member consents to the Reconstruction or Amalgamation and agrees to waive those rights as more fully described in clause 5.1.

THE PARTIES AGREE AS FOLLOWS:

1. **INTERPRETATION**

1.1 **Definitions**

In the Scheme, except where the context otherwise requires:

"ASIC" means the Australian Securities and Investments Commission.

"Assets" means real and personal property (including 'property' as defined within subsection 413(4) of the Corporations Act) and any interest in such property wherever located, whether tangible or intangible, present or future, fixed or unascertained, actual or contingent, and extends to:

- (a) any part of the business or undertaking of a body corporate;
- (b) things in action, including rights under any contract or other arrangement;
- (c) any Authorisation; and
- (d) any other thing capable of being owned, transferred or otherwise dealt with,

and includes crediting balances of the retained earnings and reserve and share capital accounts, but excludes any Excluded Authorisation.

"ASX" means the Australian Securities Exchange or ASX Limited (ABN 98 008 624 691), as the context requires.

"Authorisation" means:

- (a) an authorisation, right, consent, declaration, exemption, notarisation, permit, benefit, licence, approval, clearance or waiver, however it is described; and
- (b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specific period, the expiry of that period without that action being taken,

including any renewal or amendment.

"Business Day" means a day on which trading banks are open for business in Sydney, New South Wales.

"Client" means, in respect of a person (the *first person*), a person on whose behalf or to whose account or order or on trust for the first person holds Client Money.

"Client Money" means, in respect of a person (the *first person*), all money, money equivalents, cash, cash equivalents and all other property and assets (whether in hand or credited to any account with any banking, financial, lending or other similar institution or organisation or held in any other manner or by any other means) held by the first person on trust for or to the account of or to the order of or on behalf of another person.

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

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"Court" means the Federal Court of Australia.

"Deregistration Time" means:

- (a) in respect of the JPMAL, JPMIAPL and JPMMAPL Schemes, the JPMIAPL and JPMMAPL Deregistration Time; and
- (b) in respect of the JPMOAL Schemes, the JPMOAL Deregistration Time.

"Excluded Authorisation" means any relief instrument, waiver or no-action letter issued by ASIC to or for the benefit of a Scheme Company.

"Government Agency" means:

- (a) a government or government department or other body;
- (b) a government, semi-governmental or judicial person including a statutory corporation; or
- (c) a person (whether autonomous or not) who is charged with the administration of a law.

"Implementation Time" means:

- (a) in respect of the JPMAL, JPMIAPL and JPMMAPL Schemes, the JPMAL, JPMIAPL and JPMMAPL Implementation Time; and
- (b) in respect of the JPMOAL Schemes, the JPMOAL Implementation Time.

"JPM Australia" means J. P. Morgan Australia Group Pty Limited (ACN 104 888 155).

"JPM Australia Group" means JPM Australia and each of its Subsidiaries.

"JPMAL" means J.P. Morgan Australia Limited (ACN 002 888 011).¹

"JPMAL Remaining Asset" means:

- (a) a cash amount equal to \$150,000,000; and
- (b) the issued share capital of JPMAL.

"JPMAL, JPMIAPL and JPMMAPL Implementation Time" means the time at which the Schemes contemplated by clauses 4.2 to 4.6 are implemented in accordance with clause 6.

"JPMAL, JPMIAPL and JPMMAPL Schemes" has the meaning given in paragraph D(a) of the Background.

"JPMASAL" means J.P. Morgan Administrative Services Australia Limited (ACN 001 531 586).

"JPMIAPL" means JPMorgan Investments Australia Pty Limited (ACN 056 751 716).

¹ As advised in ASIC Gazette A27/18 dated Tuesday 3 July 2018, J.P. Morgan Australia Limited ACN 002 888 011 is currently in the process of converting into a proprietary company limited by shares. Upon conversion, it will be named J.P. Morgan Australia Pty Limited ACN 002 888 011.



"JPMIAPL and JPMMAPL Deregistration Time" means the time at which the step contemplated by clause 4.7 is implemented in accordance with clause 6.

"JPMMAPL" means J.P. Morgan Markets Australia Pty Limited (ACN 004 384 687).

"JPMOAL" means J.P. Morgan Operations Australia Limited (ACN 006 344 341).

"JPMOAL Condition" means by no later than 30 June 2019:

- (a) the Schemes (or, if applicable, the Court orders) having been properly stamped as exempt from and/or not liable to duty in Queensland; and
- (b) the ACT Revenue Office notifying the JPM Australia Group that the JPMOAL Schemes described at clause 4.8 are either not liable to landholder duty or that the JPMOAL Schemes qualify for an exemption from landholder duty such that no member of the JPM Australia Group is liable to pay landholder duty in the Australian Capital Territory.

"JPMOAL Deregistration Time" means the time at which the step contemplated by clause 4.9 is implemented in accordance with clause 6.

"JPMOAL Implementation Time" means the time at which the Schemes contemplated by clause 4.8 are implemented in accordance with clause 6.

"JPMOAL Schemes" has the meaning given in paragraph D(b) of the Background.

"JPMSAL" means J. P. Morgan Securities Australia Limited (ACN 003 245 234).

"Liabilities" means all liabilities (including obligations) however arising and whether present, fixed, actual, unascertained, immediate, future or contingent, including (without limitation):

- (a) any 'liabilities' within the meaning in subsection 413(4) of the Corporations Act;
- (b) any liability to a Government Agency or any other person; and
- (c) any liability under any potential or future proceedings (whether civil, regulatory or otherwise).

"Powers of Attorney" means, in respect of a person (the *first person*), all subsisting and unrevoked authorities, authorisations, powers of attorney and instruments granted by the first person as principal to another person(s) as attorney to act or exercise a right or power for or on behalf of the first person in accordance with the relevant authority, authorisation, power of attorney or instrument.

"Reconstruction or Amalgamation" has the meaning given in paragraph A of the Background.

"Scheme" means this scheme of arrangement as it applies to each Scheme Company, in its present form or as it may be modified or amended under clause 7.2.

"Scheme Company" means each of:

- (a) JPMOAL;
- (b) JPMSAL;

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- (c) JPMAL;
- (d) JPMIAPL; and
- (e) JPMMAPL.

"Subsidiary" has the meaning given in the Corporations Act.

"Transferee Company" means each of:

- (a) JPMASAL;
- (b) JPMSAL; and
- (c) JPM Australia.

1.2 **Rules for interpreting this document**

Headings and catchwords are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
 - (i) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document (including this document) or agreement, or a provision of a document (including this document) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (iii) a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (b) A singular word includes the plural, and vice versa.
- (c) A word which suggests one gender includes the other genders.
- (d) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- (e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- (f) The words **"associate"**, **"entity"**, **"officer"**, **"relevant"** **"interest"** and **"subsidiary"** have the same meaning as in section 9 of the Corporations Act.
- (g) The words **"related body corporate"** have the same meaning as in section 50 of the Corporations Act.

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- (h) The word "**agreement**" includes an undertaking or other binding arrangement or understanding, whether or not in writing.
- (i) The expression "**this document**" includes the agreement, arrangement, understanding or transaction recorded in this document.
- (j) All references to time in this document are references to that time in Sydney, New South Wales.
- (k) A reference to "**\$**" or "**dollar**" is to Australian currency.

1.3 **Non-Business Days**

If the day on or by which a person must do something under this document is not a Business Day:

- (a) if the act involves a payment that is due on demand, the person must do it on or by the next Business Day; and
- (b) in any other case, the person must do it on or by the previous Business Day.

2. **THE SCHEME COMPANIES**

2.1 **Scheme Companies**

Each Scheme Company is:

- (a) a member of the JPM Australia Group;
- (b) registered under the Corporations Act as a company; and
- (c) by virtue of being a 'company' registered under the Corporations Act, a Part 5.1 body within the meaning given to that term by section 9 of the Corporations Act.

2.2 **Corporate details**

- (a) The corporate details of each Scheme Company are set out in Annexure A to this document.
- (b) A corporate structure diagram for the JPM Australia Group immediately before and immediately after the Implementation Time is set out in Annexure B and Annexure C to this document.
- (c) None of the shares on issue in the capital of the Scheme Companies are quoted on the official list of ASX or any other securities exchange.

3. **THE TRANSFEREE COMPANIES**

3.1 **The Transferee Companies**

Each Transferee Company is:

- (a) a member of the JPM Australia Group;
- (b) registered under the Corporations Act as a company; and

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- (c) by virtue of being a 'company' registered under the Corporations Act, a Part 5.1 body within the meaning given to that term by section 9 of the Corporations Act.

3.2 **Corporate details**

- (a) The Corporate details of each Transferee Company are set out in Annexure D to this document.
- (b) None of the shares on issue in the capital of the Transferee Companies are quoted on the official list of ASX or any other securities exchange.

4. **THE SCHEMES**

4.1 **Overview**

- (a) The provisions of each Scheme apply to each Scheme Company independently of any other Scheme Company.
- (b) Each Scheme contemplated in clauses 4.2 to 4.6 below and each matter contemplated therein will occur sequentially at and following the JPMAL, JPMIAPL and JPMMAPL Implementation Time.
- (c) The step contemplated in clause 4.7 and each matter contemplated therein will occur at the JPMIAPL and JPMMAPL Deregistration Time.
- (d) The Schemes contemplated in clause 4.8 below and each matter contemplated therein will occur sequentially at and following the JPMOAL Implementation Time, but conditional upon the satisfaction of the JPMOAL Condition and completion of the steps set out in 4.2 to 4.6.
- (e) The step contemplated in clause 4.9 and each matter contemplated therein will occur at the JPMOAL Deregistration Time, but conditional upon the satisfaction of the JPMOAL Condition and completion of the steps set out in 4.2 to 4.6.

4.2 **JPMMAPL Share Transfer Scheme**

From the JPMAL, JPMIAPL and JPMMAPL Implementation Time and by the virtue of the order of the Court pursuant to sections 411(4)(b) and 413(1) of the Corporations Act, all of the shares in JPMMAPL held by JPMOAL will be transferred to JPMASAL in consideration for the issue by JPMASAL of 190,000,000 of its ordinary shares to JPMOAL.

4.3 **JPMAL, JPMIAPL and JPMMAPL Share Transfer Schemes**

Subject to completion of the step set out in clause 4.2, from the JPMAL, JPMIAPL and JPMMAPL Implementation Time and by the virtue of the order of the Court pursuant to sections 411(4)(b) and 413(1) of the Corporations Act each of the steps will occur in the order set out below:

- (a) all of the shares in JPMAL held by JPMASAL will be transferred to JPMSAL in consideration for the issue by JPMSAL of 150,000,000 of its ordinary shares to JPMASAL for a value of \$150,000,000;
- (b) all of the shares in JPMIAPL held by JPMASAL will be transferred to JPMSAL in consideration for the issue by JPMSAL of 755,000 of its ordinary shares to JPMASAL for a value of \$5,000,000; and

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- (c) all of the shares in JPMMAPL held by JPMASAL will be transferred to JPMSAL in consideration for the issue by JPMSAL of 190,000,000 of its ordinary shares to JPMASAL for a value of \$194,869,633.

4.4 JPMAL Scheme

Subject to completion of the steps set out in clause 4.3, from the JPMAL, JPMIAPL and JPMMAPL Implementation Time and by the virtue of the order of the Court pursuant to sections 411(4)(b) and 413(1) of the Corporations Act each of the steps will occur in the order set out below:

- (a) **(property)** All Assets of JPMAL excluding the JPMAL Remaining Asset will be transferred to, and vested in, JPMSAL without the need for any further act or deed, including crediting the retained earnings and reserve accounts of JPMSAL with the balances of the retained earnings and reserve accounts held by JPMAL immediately before the Implementation Time.
- (b) **(Powers of Attorney)** All Powers of Attorney granted by JPMAL as principal will be transferred to, and vested in, and constitute Powers of Attorney of, JPMSAL as principal without the need for any further act or deed, including all Powers of Attorney granted by JPMAL as principal which are subsisting and unrevoked immediately before the Implementation Time.
- (c) **(liabilities)** All Liabilities of JPMAL will be transferred to, and become Liabilities of, JPMSAL without the need for any further act or deed.
- (d) **(legal proceedings)** All legal proceedings pending by or against JPMAL will be continued by or against JPMSAL without the need for any further act or deed, other than an amendment of the record of the relevant court or tribunal.

4.5 JPMIAPL Scheme

Subject to completion of the steps set out in clause 4.3, from the JPMAL, JPMIAPL and JPMMAPL Implementation Time and by the virtue of the order of the Court pursuant to sections 411(4)(b) and 413(1) of the Corporations Act each of the steps will occur in the order set out below:

- (a) **(property)** All Assets of JPMIAPL be transferred to, and vested in, JPMSAL without the need for any further act or deed, including crediting the retained earnings and reserve and share capital accounts of JPMSAL with the balances of the retained earnings and reserve and share capital accounts held by JPMIAPL immediately before the Implementation Time.
- (b) **(Powers of Attorney)** All Powers of Attorney granted by JPMIAPL as principal will be transferred to, and vested in, and constitute Powers of Attorney of, JPMSAL as principal without the need for any further act or deed, including all Powers of Attorney granted by JPMIAPL as principal which are subsisting and unrevoked immediately before the Implementation Time.
- (c) **(liabilities)** All Liabilities of JPMIAPL be transferred to, and become Liabilities of, JPMSAL without the need for any further act or deed.
- (d) **(legal proceedings)** All legal proceedings pending by or against JPMIAPL be continued by or against JPMSAL without the need for any further act or deed other than an amendment of the record of the relevant court or tribunal.

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4.6 JPMMAPL Scheme

Subject to completion of the steps set out in clause 4.3, from the JPMAL, JPMIAPL and JPMMAPL Implementation Time and by the virtue of the order of the Court pursuant to sections 411(4)(b) and 413(1) of the Corporations Act each of the steps will occur in the order set out below:

- (a) **(property)** All Assets of JPMMAPL will be transferred to, and vested in, JPMSAL without the need for any further act or deed, including crediting the retained earnings and reserve and share capital accounts of JPMSAL with the balances of the retained earnings and reserve and share capital accounts held by JPMMAPL immediately before the Implementation Time.
- (b) **(Client Money)** All Client Money, and/or all rights, powers, duties and obligations relating to Client Money, held by JPMMAPL will be transferred to, and vested in, and held for and on behalf of the relevant Client by, JPMSAL without the need for any further act or deed, including all Client Money, and/or all rights, powers, duties and obligations relating to Client Money, held by JPMMAPL immediately before the Implementation Time.
- (c) **(Powers of Attorney)** All Powers of Attorney granted by JPMMAPL as principal will be transferred to, and vested in, and constitute Powers of Attorney of, JPMSAL as principal without the need for any further act or deed, including all Powers of Attorney granted by JPMMAPL as principal which are subsisting and unrevoked immediately before the Implementation Time.
- (d) **(Liabilities)** All Liabilities of JPMMAPL will be transferred to, and become Liabilities of, JPMSAL without the need for any further act or deed.
- (e) **(legal proceedings)** All legal proceedings pending by or against JPMMAPL will be continued by or against JPMSAL without the need for any further act or deed other than an amendment of the record of the relevant court or tribunal.

4.7 JPMIAPL and JPMMAPL Deregistrations

Subject to completion of the steps set out in clauses 4.4 to 4.6, at the JPMIAPL and JPMMAPL Deregistration Time and by the virtue of the order of the Court pursuant to sections 411(4)(b) and 413(1) of the Corporations Act, each of JPMIAPL and JPMMAPL will be deregistered by ASIC without winding up.

4.8 JPMOAL Schemes

Subject to completion of the steps set out in clauses 4.4 to 4.6 and to the satisfaction of the JPMOAL Condition, from the JPMOAL Implementation Time and by the virtue of the order of the Court pursuant to sections 411(4)(b) and 413(1) of the Corporations Act each of the steps will occur in the order set out below:

- (a) **(JPMSAL shares):**
 - (i) 1,093,551,751 ordinary shares in JPMSAL will be issued to JPM Australia for a value of \$1,093,551,520; and
 - (ii) all of the ordinary shares in JPMSAL issued to JPMOAL will be transferred to JPMSAL and cancelled.

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- (b) **(property)** All Assets of JPMOAL will be transferred to, and vested in, JPMASAL without the need for any further act or deed, including crediting the retained earnings and reserve and share capital accounts of JPMASAL with the balances of the retained earnings and reserve and share capital balances held by JPMOAL immediately before the Implementation Time.
- (c) **(Powers of Attorney)** all Powers of Attorney granted by JPMOAL as principal will be transferred to, and vested in, and constitute Powers of Attorney of, JPMASAL as principal without the need for any further act or deed, including all Powers of Attorney granted by JPMOAL as principal which are subsisting and unrevoked immediately before the Implementation Time.
- (d) **(liabilities)** All Liabilities of JPMOAL will be transferred to, and become Liabilities of, JPMASAL without the need for any further act or deed.
- (e) **(legal proceedings)** All legal proceedings pending by or against JPMOAL will be continued by or against JPMASAL without the need for any further act or deed other than an amendment of the record of the relevant court or tribunal.

4.9 **JPMOAL Deregistration**

Subject to completion of the steps set out in clause 4.8 and to the satisfaction of the JPMOAL Condition, at the JPMOAL Deregistration Time and by the virtue of the order of the Court pursuant to sections 411(4)(b) and 413(1) of the Corporations Act, JPMOAL will be deregistered by ASIC without winding up.

5. **FURTHER TERMS OF THE SCHEMES**

5.1 **Scheme binds parties**

- (a) Each Scheme will bind the applicable Scheme Company and its member.
- (b) Each member approves the applicable Scheme and consents to the Reconstruction or Amalgamation notwithstanding the diminution in the value of its shareholding in the Scheme Company and any rights that it may have in connection with the Reconstruction or Amalgamation at law (including pursuant to the relevant Scheme Company's constitution) and waives any rights it may otherwise have as against the Scheme Company in connection with the Reconstruction or Amalgamation.

5.2 **Steps to perfect title**

As from the Implementation Time, and by virtue of the order of the Court, each Transferee Company or any director of that Transferee Company and duly authorised signatories may sign all documents and do all things required to be done by each Scheme Company to complete or perfect the issue or transfer of the Assets and Liabilities of each Scheme Company and to complete or perfect each of the other steps comprised in each Scheme as described in clauses 4.2 to 4.6 and clause 4.8.

6. **IMPLEMENTATION TIME AND DEREGISTRATION TIME**

- (a) Each Scheme will become effective immediately upon an office copy of an order made by the Court under section 411(4)(b) and 413(1) of the Corporations Act approving the Scheme being lodged with ASIC in accordance with section 411(10) of the Corporations Act.
- (b) If before such time:

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- (i) the Court makes orders under sub-sections 411(4) and 413(1) of the Corporations Act approving and giving effect to each Scheme; and
- (ii) an office copy of those orders is lodged with ASIC,

then each Scheme will be implemented as follows (or on such other time or date as the Court determines):

- (iii) each Scheme set out in clauses 4.2 to 4.6 will be implemented sequentially in the order set out in clauses 4.2 to 4.6 at midnight on 18 August 2018 (that is, immediately after 11:59pm on 17 August 2018);
- (iv) each of JPMIAPL and JPMMAPL will under the Scheme set out in clause 4.7 be deregistered by ASIC, without a winding up, on a date at least 2 Business Days after the JPML, JPMIAPL and JPMMAPL Implementation Time;
- (v) subject to the satisfaction of the JPMOAL Condition, each Scheme set out in clause 4.8 will be implemented sequentially in the order set out in clause 4.8 at the later to occur of:
 - (A) where the JPMOAL Condition is satisfied on or before 17 August 2018, at midnight on 18 August 2018 (that is, immediately after 11:59pm on 17 August 2018) after the implementation of the Schemes set out in clauses 4.2 to 4.6; and
 - (B) where the JPMOAL Condition is satisfied after 17 August 2018, at 11:59pm on the date that is five (5) Business Days after the date on which the JPMOAL Condition is satisfied; and
- (vi) subject to the satisfaction of the JPMOAL Condition, JPMOAL will under the Scheme set out in clause 4.9 be deregistered by ASIC, without a winding up, on a date at least 2 Business Days after the JPMOAL Implementation Time.

7. **GENERAL**

7.1 **Constitutions**

The Schemes will have effect notwithstanding any provision in the constitutions of any other parties which may be inconsistent with the Schemes.

7.2 **Amendment**

Each Scheme Company may, by its counsel or solicitor, consent on behalf of all persons bound by the applicable Scheme to any alterations or conditions to the applicable Scheme that the Court imposes.

7.3 **Governing law**

The Schemes are governed by the laws of New South Wales.



ANNEXURE A

Company Details – Scheme Companies

J.P. Morgan Operations Australia Limited	
Date of incorporation	30/10/1984
Place of incorporation	VICTORIA
Australian Company Number	006 344 341
Registered office	LEVEL 18 83-85 CASTLEREAGH STREET SYDNEY NSW 2000
Number of shares issued	1,093,551,751 ORDINARY SHARES
Total issued and paid up capital	\$1,093,551,520
Members	J. P. MORGAN AUSTRALIA GROUP PTY LIMITED
Directors	STEWART FRASER OLD JOHN NICHOLAS MCALPINE NADIA MARIA SCHIAVON NATALIE GAYE COOPER SALLY MACKINNAL AULD
J.P. Morgan Administrative Services Australia Limited	
Date of incorporation	17/10/1977
Place of incorporation	NEW SOUTH WALES
Australian Company Number	001 531 586
Registered office	LEVEL 18 83-85 CASTLEREAGH STREET SYDNEY NSW 2000
Number of shares issued	892,892,874 ORDINARY SHARES
Total issued and paid up capital	\$933,542,318
Members	J.P. MORGAN OPERATIONS AUSTRALIA LIMITED
Directors	STEWART FRASER OLD JOHN NICHOLAS MCALPINE NADIA MARIA SCHIAVON NATALIE GAYE COOPER SALLY MACKINNAL AULD

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J.P. Morgan Australia Limited²	
Date of incorporation	29/01/1985
Place of incorporation	NEW SOUTH WALES
Australian Company Number	002 888 011
Registered office	LEVEL 18 83-85 CASTLEREAGH STREET SYDNEY NSW 2000
Number of shares issued	150,000,000 ORDINARY SHARES
Total issued and paid up capital	\$150,000,000
Members	J.P. MORGAN ADMINISTRATIVE SERVICES AUSTRALIA LIMITED
Directors	WARREN DEAN DAVIS NATALIE ANNE VANSTONE JAMES ANDREW BRUCE DAVID JOSHUA IOANNIDIS STEVEN CRAIG HACKERS PAUL STEPHEN JAMES UREN ROBERT PHILLIP BEDWELL ELIZABETH CAMILLA MCALPINE MARK CHARLES DAVISON
JPMorgan Investments Australia Pty Limited	
Date of incorporation	09/07/1992
Place of incorporation	NEW SOUTH WALES
Australian Company Number	056 751 716
Registered office	LEVEL 18 83-85 CASTLEREAGH STREET SYDNEY NSW 2000
Number of shares issued	755,000 ORDINARY SHARES
Total issued and paid up capital	\$5,000,000
Members	J.P. MORGAN ADMINISTRATIVE SERVICES AUSTRALIA LIMITED
Directors	STEWART FRASER OLD JOHN NICHOLAS MCALPINE

² See footnote 1.

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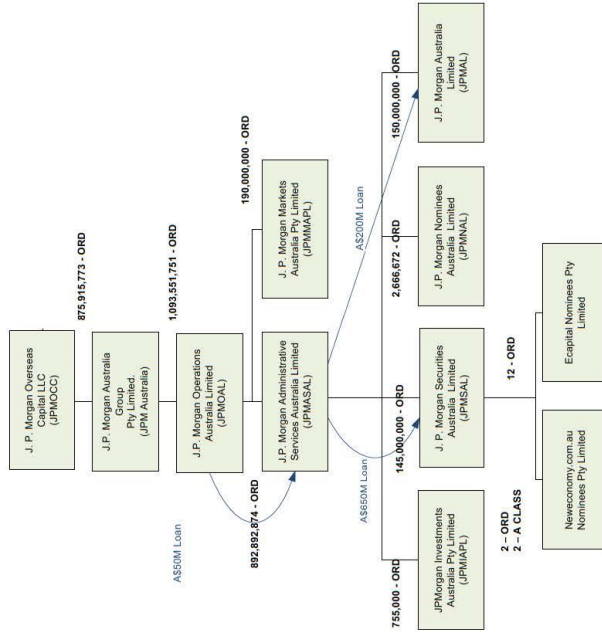
	NADIA MARIA SCHIAVON NATALIE GAYE COOPER SALLY MACKINNAL AULD
J.P. Morgan Markets Australia Pty Limited	
Date of incorporation	29/07/1957
Place of incorporation	VICTORIA
Australian Company Number	004 384 687
Registered office	LEVEL 18 83-85 CASTLEREAGH STREET SYDNEY NSW 2000
Number of shares issued	190,000,000 ORDINARY SHARES
Total issued and paid up capital	\$194,869,633
Members	J.P. MORGAN OPERATIONS AUSTRALIA LIMITED
Directors	STEVEN CRAIG HACKERS WARREN DEAN DAVIS NATALIE ANNE VANSTONE ROBERT PHILLIP BEDWELL JAMES ANDREW BRUCE DAVID JOSHUA IOANNIDIS MARK CHARLES DAVISON PAUL STEPHEN JAMES UREN ELIZABETH CAMILLA MCALPINE

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ANNEXURE B

JPM Australia Group before implementation of the Schemes

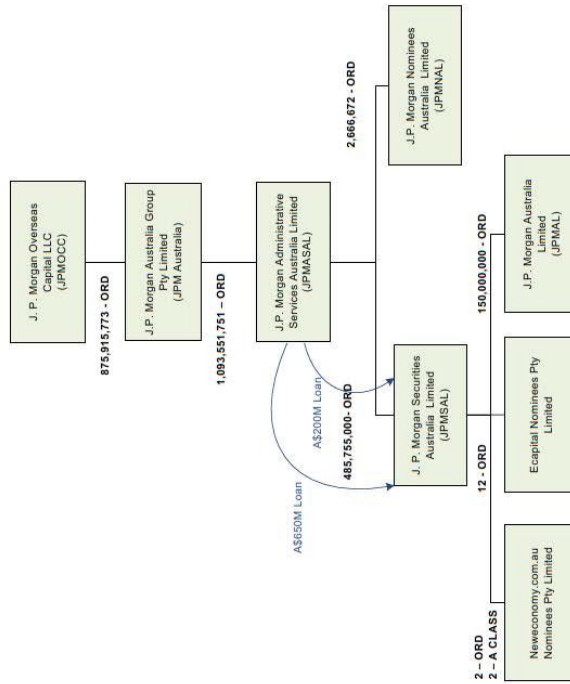


As advised in ASIC Gazette A27/18 dated Tuesday 3 July 2018, J.P. Morgan Australia Limited ACN 002 888 011 is currently in the process of converting into a proprietary company limited by shares. Upon conversion, it will be named J.P. Morgan Australia Pty Limited ACN 002 888 011.

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ANNEXURE C
JPM Australia Group after implementation of the Schemes



As advised in ASIC Gazette A27/18 dated Tuesday 3 July 2018, J.P. Morgan Australia Limited ACN 002 888 011 is currently in the process of converting into a proprietary company limited by shares. Upon conversion, it will be named J.P. Morgan Australia Pty Limited ACN 002 888 011.

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ANNEXURE D

Company details – Transferee Companies

J.P. Morgan Administrative Services Australia Limited	
Date of incorporation	17/10/1977
Place of incorporation	NEW SOUTH WALES
Australian Company Number	001 531 586
Registered office	LEVEL 18 83-85 CASTLEREAGH STREET SYDNEY NSW 2000
Number of shares issued	892,892,874 ORDINARY SHARES
Total issued and paid up capital	\$933,542,318
Members	J.P. MORGAN OPERATIONS AUSTRALIA LIMITED
Directors	STEWART FRASER OLD JOHN NICHOLAS MCALPINE NADIA MARIA SCHIAVON NATALIE GAYE COOPER SALLY MACKINNAL AULD
J.P. Morgan Securities Australia Limited	
Date of incorporation	27/02/1987
Place of incorporation	NEW SOUTH WALES
Australian Company Number	003 245 234
Registered office	LEVEL 18 83-85 CASTLEREAGH STREET SYDNEY NSW 2000
Number of shares issued	145,000,000 ORDINARY SHARES
Total issued and paid up capital	\$145,000,000
Members	J.P. MORGAN ADMINISTRATIVE SERVICES AUSTRALIA LIMITED
Directors	ROBERT PHILLIP BEDWELL MARK CHARLES DAVISON STEVEN CRAIG HACKERS JAMES ANDREW BRUCE WARREN DEAN DAVIS DAVID JOSHUA IOANNIDIS

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	NATALIE ANNE VANSTONE PAUL STEPHEN JAMES UREN ELIZABETH CAMILLA MCALPINE
J. P. Morgan Australia Group Pty Limited	
Date of incorporation	28/05/2003
Place of incorporation	VICTORIA
Australian Company Number	104 888 155
Registered office	LEVEL 18 83-85 CASTLEREAGH STREET SYDNEY NSW 2000
Number of shares issued	875,915,773 ORDINARY SHARES
Total issued and paid up capital	\$585,866,000
Members	J P MORGAN OVERSEAS CAPITAL LLC
Directors	WARREN DEAN DAVIS MICHAEL JOSEPH GREEN PAUL STEPHEN JAMES UREN