Status: **legally binding**

Class Ruling

ClearView Wealth Limited – scheme of arrangement and special dividend

Relying on this Ruling

This publication (excluding appendix) is a public ruling for the purposes of the *Taxation Administration Act 1953*.

If this Ruling applies to you, and you correctly rely on it, we will apply the law to you in the way set out in this Ruling. That is, you will not pay any more tax or penalties or interest in respect of the matters covered by this Ruling.

Table of Contents **Paragraph**

What this Ruling is about

1. This Ruling sets out the income tax consequences for the former shareholders of ClearView Wealth Limited (ClearView) in relation to their receipt of the:

- special dividend of $0.05 per share on 12 August 2026 (Special Dividend), and
- cash consideration of $0.60 per share (Scheme Consideration) for the disposal of their ClearView shares under the scheme of arrangement (Scheme) implemented on 20 August 2026 (Scheme Implementation Date).

2. Details of this scheme are set out in paragraphs 33 to 61 of this Ruling.

3. All legislative references in this Ruling are to provisions of the *Income Tax Assessment Act 1936* (ITAA 1936) or the *Income Tax Assessment Act 1997* (ITAA 1997) (as detailed in the table in the Appendix to this Ruling), unless otherwise indicated.

Who this Ruling applies to

4. This Ruling applies to you if you were a ClearView shareholder who:

- held your ClearView shares on
  - 5 August 2026 (Special Dividend Record Date) and received the Special Dividend on 12 August 2026 (Special Dividend Payment Date), or
  - 13 August 2026 (Scheme Record Date) and participated in the Scheme, and

- held your ClearView shares on capital account – that is, you did not hold your ClearView shares as ‘revenue assets’ (as defined in section 977-50) or as ‘trading stock’ (as defined in subsection 995-1(1)).

5. This Ruling does not apply to you if you:

- acquired your ClearView shares under an ‘employee share scheme’ (as defined in section 83A-10) and your ESS deferred taxing point (for the purposes of Subdivision 83A-C) occurred on the Scheme Implementation Date
- are a ‘non-resident’ of Australia (as defined in subsection 6(1)) that carries on business at or through a permanent establishment in Australia
- are a ‘temporary resident’ of Australia (as defined in subsection 995-1(1))
- are an ‘exempt entity’ (as defined in subsection 995-1(1))
- are subject to the investment manager regime in Subdivision 842-I in relation to your ClearView shares, or
- are subject to the taxation of financial arrangements rules in Division 230 in relation to the scheme outlined in paragraphs 33 to 61 of this Ruling.

Note: Division 230 will not apply to individuals unless they have made an election for it to apply.

When this Ruling applies

6. This Ruling applies from 1 July 2026 to 30 June 2027.

Ruling

Dividend and frankable distribution

7. The Special Dividend is a:

- ‘dividend’ as defined in subsection 6(1), and
- ‘frankable distribution’ under section 202-40.

Assessability of the Special Dividend, franking credit and tax offset

Resident shareholders

8. If you are a ‘resident of Australia’ (as defined in subsection 6(1)), you include the Special Dividend in your assessable income (subparagraph 44(1)(a)(i)).

9. You include the franking credits attached to the Special Dividend in your assessable income and are entitled to a tax offset equal to the amount of those credits if:

- you are an entity that is not covered by subsection 207-15(2) – that is
  - you are not a partnership or trustee (except a partnership or trustee that is a ‘corporate tax entity’ as defined in section 960-115 or a trustee of a complying superannuation entity), or

  - the Special Dividend did not flow indirectly through a partnership or trust to you, and
- you are a ‘qualified person’ (as defined in Division 1A of former Part IIIAA), and
- where you are an individual or a corporate tax entity, you also satisfy the residency requirements in section 207-75 (sections 207-15, 207-20, 207-70 and 207-145).

10. If you are a qualified person who received the Special Dividend as a trustee of a trust or as a partnership, you include the franking credits attached to the Special Dividend in the trust’s or partnership’s assessable income, provided you are neither a corporate tax entity or a trustee of a complying superannuation entity (subsection 207-35(1) and section 207-145).

11. To the extent that the Special Dividend is exempt income or non-assessable non-exempt income in your hands (unless an exception in Subdivision 207-E applies to you), the relevant amount of the franking credits attached to the Special Dividend is not included in your assessable income and the tax offset you are entitled to will be reduced accordingly (Subdivision 207-D).

12. The tax offset is refundable (table item 40 of section 63-10), unless you are a:

- trustee of a non-complying superannuation fund or non-complying approved deposit fund (subsection 67-25(1A))
- trustee of a trust who is liable to be assessed under sections 98 or 99A (subsection 67-25(1B)), or
- corporate tax entity (unless you are an exempt institution that is eligible for a refund or a life insurance company that received the Special Dividend on the ClearView shares that were not held by you on behalf of your shareholders) (subsections 67-25(1C) and 67-25(1D)).

Non-resident shareholders

13. If you are a non-resident and the Special Dividend is not attributable to a permanent establishment in Australia, you do not include the Special Dividend in your assessable income (subparagraph 44(1)(b)(i) and section 128D) and you are not liable to pay withholding tax in respect of the Special Dividend (paragraph 128B(3)(ga)).

14. You do not include the amount of the franking credits that are attached to the Special Dividend in your assessable income and you are not entitled to a tax offset for those franking credits (sections 207-20 and 207-70).

Qualified persons

15. As the Scheme Consideration was determined by reducing the maximum cash consideration of $0.65 per share by the amount of the Special Dividend, you are taken to have made a related payment in relation to the Special Dividend (former section 160APHN) and, therefore, the secondary qualification period applies (former paragraph 160APHO(1)(b)).

16. As your ClearView shares became ex dividend (for the purposes of former subsection 160APHE(1)) on 6 August 2026 (being the day after the Special Dividend Record Date), the secondary qualification period is 22 June 2026 to 20 September 2026

(being the period beginning 45 days before, and ending 45 days after, the day your ClearView shares became ex dividend) (former section 160APHD).

17. You will be a qualified person in relation to the Special Dividend if, during the secondary qualification period, you held your ClearView shares at risk for a continuous period of at least 45 days (not including the day on which your ClearView shares were acquired or the day of disposal) (former paragraph 160APHO(2)(a)).

18. In working out the number of days you continuously held your ClearView shares at risk, do not count any days on which you had ‘materially diminished risks of loss or opportunities for gain’ (as defined in former section 160APHM) in respect of the shares, although the exclusion is not taken to break the continuity period during which you held your ClearView shares (former subsection 160APHO(3)). As such, you do not count any days on and after the Scheme Record Date of 13 August 2026.

19. As you are taken to have made a related payment in respect of the Special Dividend, the small shareholder exception in former section 160APHT does not apply in determining whether you are a qualified person.

Exempting entity

20. Section 208-195 will not apply to deny the gross-up of your assessable income by the amount of the franking credits attached to the Special Dividend, nor to deny the tax offset to which you are otherwise entitled under Division 207, because ClearView was not an ‘exempting entity’ (as defined in section 208-20) or a ‘former exempting entity’ (as defined in section 208-50) when the Special Dividend was paid to you.

Anti-avoidance and integrity provisions

Section 177EA

21. We will not make a determination under paragraph 177EA(5)(b) to deny the whole, or any part, of the imputation benefit you received in relation to the Special Dividend.

Section 204-30

22. We will not make a determination under paragraph 204-30(3)(c) to deny the whole, or any part, of the imputation benefit you received in relation to the Special Dividend.

Dividend stripping operation, distribution washing, foreign income tax deduction

23. Paragraphs 207-145(1)(d) (about dividend stripping operation) and 207-145(1)(da) (about distribution washing) will not apply to deny the gross-up of your assessable income by the amount of the franking credits attached to the Special Dividend, nor to deny the tax offset to which you are otherwise entitled under Division 207.

24. If you are entitled to a ‘foreign income tax deduction’ (as defined in section 832-120) in relation to the Special Dividend, you do not include the amount of the franking credits attached to the Special Dividend in your assessable income and you are not entitled to a tax offset under Division 207 (paragraphs 207-145(1)(db), (e) and (f)).

Status: **legally binding**

Capital gains tax consequences

CGT event A1

25. CGT event A1 happened to you on the Scheme Implementation Date when you disposed of your ClearView shares to Zurich Financial Services Australia Limited (Zurich) in accordance with the Scheme (section 104-10).

Capital proceeds

26. The capital proceeds you received in respect of CGT event A1 happening to your ClearView shares is $0.60 for each ClearView share (subsection 116-20(1)).

27. The Special Dividend does not form part of the capital proceeds as it was not received in respect of the disposal of your ClearView shares under the Scheme (Taxation Ruling TR 2010/4 *Income tax: capital gains: when a dividend will be included in the capital proceeds from a disposal of shares that happens under a contract or a scheme of arrangement*).

Capital gain or capital loss

28. You made a capital gain if the capital proceeds from the disposal of your ClearView shares exceeded its cost base (subsection 104-10(4)). The capital gain is the amount of the excess.

29. You made a capital loss if the capital proceeds from the disposal of your ClearView shares is less than its reduced cost base (subsection 104-10(4)). The capital loss is the amount of the difference.

Discount capital gain

30. You can treat the capital gain made when CGT event A1 happened as a discount capital gain if you acquired your ClearView shares at least 12 months before the Scheme Implementation Date (subsection 115-25(1)) and the other conditions in Subdivision 115-A are satisfied.

Foreign resident shareholders

31. Your ClearView shares were not ‘indirect Australian real property interests’ (as defined in section 855-25) on the Scheme Implementation Date.

32. If you were a ‘foreign resident’ or the trustee of a ‘foreign trust for CGT purposes’ (as defined in subsection 995-1(1)) immediately before the Scheme Implementation Date, you disregard any capital gain or capital loss made from CGT event A1 happening to your ClearView shares (subsection 855-10(1)), provided your ClearView shares:

- had not been used at any time by you in carrying on a business through a permanent establishment in Australia (table item 3 of section 855-15), or
- were not covered by subsection 104-165(3) (about individuals who disregard capital gains on ceasing to be Australian residents) (table item 5 of section 855-15).

Scheme

33. This description of the scheme is based on information provided by the applicant. If the scheme is not carried out as described, this Ruling cannot be relied upon.

Background

ClearView Wealth Limited

34. ClearView is a company that was incorporated in Australia on 9 September 2003 and is an Australian resident for tax purposes.

35. ClearView is the head company of an income tax consolidated group that was formed on 1 February 2007.

36. ClearView's ordinary shares traded on the Australian Securities Exchange until the close of trading on 31 July 2026.

37. ClearView is a non-operating holding company regulated by the Australian Prudential Regulation Authority and is the ultimate parent entity of ClearView Life Assurance Limited.

38. ClearView Life Assurance Limited is a life insurance company that issues, administers and distributes a range of life insurance products to customers in Australia.

39. As at 30 June 2026, ClearView had:

- $144,016,145 in accumulated losses
- a profit reserve of $54,513,708, and
- a franking account balance of $16,230,382.

40. As at the Special Dividend Record Date, ClearView had 641,214,478 ordinary shares on issue (the only class of shares on issue).

41. At no point in time have non-resident ClearView shareholders owned 95% or more of ClearView's shares. On the Special Dividend Payment Date, ClearView was not a former exempting entity as it had never been an exempting entity before that date.

Zurich Financial Services Australia Limited

42. Zurich is a company that was incorporated in Australia.

43. Zurich is indirectly owned by Zurich Insurance Group Ltd (ZIG). ZIG is a publicly listed holding company of the Zurich Insurance Group. ZIG is headquartered in Switzerland and its shares are listed on the SIX Swiss Exchange. The Zurich Insurance Group is a global multi-line insurance provider with offices in Europe, North America, Latin America, Asia-Pacific, and the Middle East.

44. Zurich and its associates did not hold any interest in ClearView's shares nor had any voting power in ClearView prior to the Scheme Implementation Date.

Scheme of arrangement

45. On 24 February 2026, ClearView entered into a Scheme Implementation Deed with Zurich under which Zurich agreed to acquire all of the ordinary shares in ClearView by way of a scheme of arrangement under Part 5.1 of the *Corporations Act 2001*.

46. On 27 July 2026, ClearView shareholders approved the Scheme at a shareholder meeting.

47. On 30 July 2026, the Supreme Court of New South Wales approved the Scheme.

48. On the Scheme Record Date, each ClearView shareholder's entitlement to the Scheme Consideration was determined.

49. On the Scheme Implementation Date, ClearView shareholders received the Scheme Consideration of $0.60 for each ClearView share they held on the Scheme Record Date (being the maximum cash consideration of $0.65 less the cash amount of the Special Dividend of $0.05 per share). Their shares were transferred to Zurich, resulting in the shares being delisted from the Australian Securities Exchange and ClearView becoming a wholly owned subsidiary of Zurich.

50. The Scheme was considered fair according to Grant Thornton as the Independent Expert.

Special dividend

51. On 24 July 2026, the directors of ClearView determined to pay the Special Dividend of $0.05 per share (a total distribution of $32,060,723.90).

52. ClearView shareholders who held their shares on the Special Dividend Record Date were paid the Special Dividend on the Special Dividend Payment Date.

53. The Special Dividend was funded by ClearView's existing working capital facility and cash reserves.

54. ClearView, Zurich and any of their subsidiaries or associates did not issue any 'equity interests' (as defined in subsection 995-1(1)), directly or indirectly, to:

- replace the funds attributable to the Special Dividend, or
- fund the repayment of the portion of the debt incurred by ClearView to pay the Special Dividend.

55. The Special Dividend was fully franked and debited against ClearView's profit reserve account, which is not a 'share capital account' (as defined in section 975-300).

56. Zurich and its associates did not influence, facilitate or finance the payment or funding of the Special Dividend.

57. The Special Dividend was paid at the discretion of ClearView's directors and the Scheme becoming effective was not conditional on the payment of the Special Dividend. Zurich did not have any right to terminate the Scheme Implementation Deed if ClearView did not declare and pay the Special Dividend.

Dividend policy and history

58. ClearView had a target dividend payout ratio of 40 to 60% of Group Underlying Net Profit After Tax (from continuing operations), subject to available profits and the group's financial position.

59. ClearView had paid fully franked dividends of between $0.01 to $0.03 per share to its shareholders at least annually since the 2022 income year. Ordinary dividends were paid in September of each year to align with its statutory reporting cycle and an interim dividend was paid in March 2024.

Status: **legally binding**

Other matters

60. On the Scheme Implementation Date, the sum of the market values of ClearView's assets that were 'taxable Australian real property' (as defined in section 855-20) did not exceed the sum of the market values of its other assets for the purposes of section 855-30.

Key dates

61. Table 1 of this Ruling is a summary of the key dates for the Scheme and Special Dividend:

Table 1: Summary of the key dates for the Scheme and Special Dividend

Event	Date
Scheme Implementation Deed executed	24 February 2026
First court hearing	22 June 2026
Release of Scheme Booklet	23 June 2026
Scheme Meeting	27 July 2026
Second court hearing	30 July 2026
Effective Date, last date of trading for ClearView shares	31 July 2026
Special Dividend Record Date	5 August 2026
Special Dividend Payment Date	12 August 2026
Scheme Record Date	13 August 2026
Scheme Implementation Date	20 August 2026

Commissioner of Taxation
2 September 2026

Appendix – Legislative provisions

62. This paragraph sets out the details of the provisions of the ITAA 1936 or ITAA 1997 ruled upon or referenced in this Ruling.

Table 2: Provisions of the ITAA 1936 and the ITAA 1997 ruled upon or referenced in this Ruling

Income Tax Assessment Act 1936	subsection 6(1)
Income Tax Assessment Act 1936	subparagraph 44(1)(a)(i)
Income Tax Assessment Act 1936	subparagraph 44(1)(b)(i)
Income Tax Assessment Act 1936	section 98
Income Tax Assessment Act 1936	section 99A
Income Tax Assessment Act 1936	paragraph 128B(3)(ga)
Income Tax Assessment Act 1936	section 128D
Income Tax Assessment Act 1936	Division 1A of former Part IIIAA
Income Tax Assessment Act 1936	former section 160APHD
Income Tax Assessment Act 1936	former subsection 160APHE(1)
Income Tax Assessment Act 1936	former section 160APHM
Income Tax Assessment Act 1936	former section 160APHN
Income Tax Assessment Act 1936	former paragraph 160APHO(1)(b)
Income Tax Assessment Act 1936	former paragraph 160APHO(2)(a)
Income Tax Assessment Act 1936	former subsection 160APHO(3)
Income Tax Assessment Act 1936	former section 160APHT
Income Tax Assessment Act 1936	section 177EA
Income Tax Assessment Act 1936	paragraph 177EA(5)(b)
Income Tax Assessment Act 1997	section 63-10
Income Tax Assessment Act 1997	subsection 67-25(1A)
Income Tax Assessment Act 1997	subsection 67-25(1B)
Income Tax Assessment Act 1997	subsection 67-25(1C)
Income Tax Assessment Act 1997	subsection 67-25(1D)
Income Tax Assessment Act 1997	section 83A-10
Income Tax Assessment Act 1997	Subdivision 83A-C
Income Tax Assessment Act 1997	section 104-10
Income Tax Assessment Act 1997	subsection 104-10(4)
Income Tax Assessment Act 1997	subsection 104-165(3)
Income Tax Assessment Act 1997	Subdivision 115-A
Income Tax Assessment Act 1997	subsection 115-25(1)
Income Tax Assessment Act 1997	subsection 116-20(1)

Status: **not legally binding**

Income Tax Assessment Act 1997	section 202-40
Income Tax Assessment Act 1997	section 204-30
Income Tax Assessment Act 1997	paragraph 204-30(3)(c)
Income Tax Assessment Act 1997	Division 207
Income Tax Assessment Act 1997	section 207-15
Income Tax Assessment Act 1997	subsection 207-15(2)
Income Tax Assessment Act 1997	section 207-20
Income Tax Assessment Act 1997	subsection 207-35(1)
Income Tax Assessment Act 1997	section 207-70
Income Tax Assessment Act 1997	section 207-75
Income Tax Assessment Act 1997	Subdivision 207-D
Income Tax Assessment Act 1997	Subdivision 207-E
Income Tax Assessment Act 1997	section 207-145
Income Tax Assessment Act 1997	paragraph 207-145(1)(d)
Income Tax Assessment Act 1997	paragraph 207-145(1)(da)
Income Tax Assessment Act 1997	paragraph 207-145(1)(db)
Income Tax Assessment Act 1997	paragraph 207-145(1)(e)
Income Tax Assessment Act 1997	paragraph 207-145(1)(f)
Income Tax Assessment Act 1997	section 208-20
Income Tax Assessment Act 1997	section 208-50
Income Tax Assessment Act 1997	section 208-195
Income Tax Assessment Act 1997	Division 230
Income Tax Assessment Act 1997	section 832-120
Income Tax Assessment Act 1997	Subdivision 842-I
Income Tax Assessment Act 1997	subsection 855-10(1)
Income Tax Assessment Act 1997	section 855-15
Income Tax Assessment Act 1997	section 855-20
Income Tax Assessment Act 1997	section 855-25
Income Tax Assessment Act 1997	section 855-30
Income Tax Assessment Act 1997	section 960-115
Income Tax Assessment Act 1997	section 975-300
Income Tax Assessment Act 1997	section 977-50
Income Tax Assessment Act 1997	subsection 995-1(1)

Status: **not legally binding**

References

Related rulings and determinations:
- TR 2010/4

Legislative references:
- Corporations Act 2001 Pt 5.1

ATO references

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