



Status: **legally binding**

Class Ruling

Juniper Networks, Inc. – acquisition by Hewlett Packard Enterprise Company – employee share scheme

❶ Relying on this Ruling

This publication 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
Who this Ruling applies to	4
When this Ruling applies	6
Ruling	7
Scheme	14

What this Ruling is about

1. This Ruling sets out the income tax consequences for employees of Juniper Networks Australia Pty Limited, a wholly owned subsidiary of Juniper Networks, Inc. (Juniper), who participated in an employee share scheme to acquire restricted stock units in Juniper, which were replaced by restricted stock units in Hewlett Packard Enterprise Company (HPE) on 2 July 2025 (Effective Time), in connection with the merger between Juniper, HPE and related entities (Merger).
2. Details of this scheme are set out in paragraphs 14 to 36 of this Ruling.
3. All legislative references in this Ruling are to the *Income Tax Assessment Act 1997*, unless otherwise indicated.

Who this Ruling applies to

4. This Ruling applies to you if you:
 - are a 'resident of Australia' as defined in subsection 6(1) of the *Income Tax Assessment Act 1936*
 - were employed by Juniper Networks Australia Pty Limited prior to the Effective Time
 - held restricted stock units in Juniper common stock (Juniper RSUs), which were issued under the Juniper Networks, Inc. 2015 Equity Incentive Plan (as amended and restated) (Plan)
 - had not had an ESS deferred taxing point under Subdivision 83A-C occur in relation to your Juniper RSUs prior to the Effective Time

Status: **legally binding**

- did not hold a beneficial interest in more than 10% of Juniper common stock (Juniper shares), and were not in a position to cast or control more than 10% of the maximum number of votes that may be cast at a general meeting of Juniper
- continued to be employed by HPE, or one of its subsidiaries, following the implementation of the Merger
- acquired restricted stock units in HPE common stock (HPE RSUs) in exchange for your Juniper RSUs being cancelled, and
- did not hold a beneficial interest of more than 10% of HPE common stock (HPE shares), and you were not in a position to cast, or control the casting of, more than 10% of the maximum number of votes that might be cast at a HPE general meeting after the Effective Time.

5. This Ruling does not apply to anyone who is subject to the taxation of financial arrangements rules in Division 230 in relation to the scheme outlined in paragraphs 14 to 36 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 2025 to 30 June 2026.

Ruling

ESS interest under an employee share scheme

7. Your Juniper RSUs were ESS interests acquired under an employee share scheme (paragraph 83A-10(1)(b) and subsection 83A-10(2)).

8. Subdivision 83A-C applied to your Juniper RSUs (subsection 83A-105(1)).

New ESS interests are a continuation of old ESS interests

9. The HPE RSUs you acquired are treated as a continuation of your Juniper RSUs for the purposes of Division 83A (subsection 83A-130(2)).

10. Therefore, the disposal of your Juniper RSUs which you acquired prior to the Effective Time will not result in an ESS deferred taxing point occurring within the meaning of section 83A-120.

Continuation of employment

11. Your employment with HPE or one of its subsidiaries after the Effective Time is treated as a continuation of your employment in respect of which you acquired Juniper RSUs prior to the Effective Time for the purposes of Division 83A (subsection 83A-130(6)).

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Cost base of new ESS interests

12. The cost base of the Juniper RSUs you held just prior to the Effective Time will be allocated to the matching HPE RSUs you held just after the Effective Time (subsection 83A-130(7)).

Capital gains and capital losses

13. Any capital gain or capital loss you made from CGT event C2 happening to your Juniper RSUs is disregarded (section 130-80).

Scheme

14. 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.

Juniper Networks, Inc.

15. Juniper was incorporated in the state of Delaware in the United States of America (US) and was listed on the New York Stock Exchange (NYSE). Juniper was a resident of the US for tax purposes and subject to the double tax treaty between the US and Australia.

16. Juniper Networks Australia Pty Limited was a wholly owned subsidiary of Juniper and the employing entity of Juniper's Australian resident employees.

17. Immediately before the Merger, Juniper had 334,655,638 fully paid Juniper shares on issue.

Juniper Networks, Inc. 2015 Equity Incentive Plan

18. Juniper operated the Plan as part of its remuneration framework.

19. Under the Plan, employees of Juniper Networks Australia Pty Limited were awarded Juniper RSUs, subject to the terms and conditions set out in:

- Juniper Networks, Inc. 2015 Equity Incentive Plan Document as amended and restated as of 14 May 2019, 11 May 2022, 10 May 2023 and 4 June 2024
- Juniper Networks, Inc. 2015 Equity Incentive Plan Prospectus as of 1 December 2019, 7 June 2022, 2 June 2023 and 13 June 2024
- Juniper Networks, Inc. 2015 Equity Incentive Plan Notice of Grant of RSUs issued in November 2019, December 2021, December 2022 and June 2024.

20. The key features of Juniper RSUs granted under the Plan were:

- they were issued for no consideration
- each Juniper RSU represented the right to receive one Juniper share according to a time-based vesting schedule
- no exercise price was payable upon the vesting of the Juniper RSU

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- Juniper RSUs could only be settled in Juniper shares pursuant to the Award Agreement
- Juniper RSUs could not be sold, transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and any attempt to dispose of the Juniper RSU would render it null and void, and
- Juniper RSUs were subject to a real risk of forfeiture in the event the employee ceased employment for any reasons, other than due to the employee's death or termination by Juniper or its subsidiary due to 'disability' (as defined under the Plan).

21. The Plan was amended and restated from time to time to facilitate compliance with the applicable laws of the US or any other country in which the Plan operated.

Hewlett Packard Enterprise Company

22. HPE is the ultimate parent company of the HPE group. HPE was incorporated in the state of Delaware in the US and is listed on the NYSE. HPE is a resident of the US for tax purposes and subject to the double tax treaty between the US and Australia.

23. Immediately before the Merger, HPE had on issue:

- 1,312,511,192 fully paid HPE shares, and
- a number of rights issued under HPE employee share schemes representing approximately 3% of the total value of ownership interests in HPE.

Jasmine Acquisition Sub, Inc.

24. Jasmine Acquisition Sub, Inc. (Merger Sub) was incorporated in the state of Delaware in the US on 29 December 2023.

25. Immediately before the Merger, Merger Sub was a wholly owned subsidiary of HPE and had 1,000 fully paid common stock on issue.

Merger

26. On 9 January 2024, HPE, Juniper, and Merger Sub entered into an agreement (the Merger Agreement).

27. Under the Merger Agreement:

- Merger Sub would merge with and into Juniper, and
- Juniper would remain as a wholly owned subsidiary of HPE.

28. In accordance with the Merger Agreement, Juniper shares (par value US\$0.00001) which were outstanding immediately prior to the Effective Time were automatically converted into the right to receive US\$40.00 cash (Merger Consideration), without interest.

29. The Merger was approved by Juniper shareholders on 2 April 2024.

30. The Merger closed as at the Effective Time.

31. Juniper shares were suspended from trading on the NYSE on 2 July 2025, and removed from listing and registration as at the opening of business on 14 July 2025.

Status: **legally binding**

32. After the Merger, Juniper's Australian resident employees were employed by HPE or one of its wholly owned subsidiaries.

33. Pursuant to, and subject to the terms and conditions of the Merger Agreement and the Notice of Converted Equity Awards dated 10 July 2025 provided to employees of Juniper or its wholly owned subsidiaries, Juniper RSUs granted under the Plan and outstanding immediately prior to the Effective Time were converted into HPE RSUs as at the Effective Time.

34. The equity award exchange ratio (which was determined to be 2.14313) was calculated as the quotient of the Merger Consideration divided by the volume-weighted average price of HPE shares over the 10 trading day period starting with the opening of trading on the 11th trading day prior to 2 July 2025 and ending at the close of trading on the second to last trading day prior to 2 July 2025 (Equity Award Exchange Ratio).

35. As at the Effective Time, Juniper RSUs were converted into HPE RSUs using the Equity Award Exchange Ratio, to be settled, subject to vesting, in a number of whole shares of HPE shares, equal to the product of the number of Juniper shares underlying the Juniper RSU immediately prior to the Effective Time, multiplied by the Equity Award Exchange Ratio.

36. The replacement HPE RSUs received under the Merger had the same terms and conditions as Juniper RSUs.

Commissioner of Taxation

14 October 2026

Status: **not legally binding**

References

Legislative references:

- | | |
|--------------------------|------------------------|
| - ITAA 1936 6(1) | - ITAA 1997 83A-120 |
| - ITAA 1997 Div 83A | - ITAA 1997 83A-130(2) |
| - ITAA 1997 83A-10(1)(b) | - ITAA 1997 83A-130(6) |
| - ITAA 1997 83A-10(2) | - ITAA 1997 83A-130(7) |
| - ITAA 1997 Subdiv 83A-C | - ITAA 1997 130-80 |
| - ITAA 1997 83A-105(1) | - ITAA 1997 Div 230 |
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ATO references

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