


CR 2005/97A - Addendum - Income tax: Qantas Deferred Share Plan - Senior Manager Long Term Incentive Rules

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Addendum

Class Ruling

Income tax: Qantas Deferred Share Plan – Senior Manager Long Term Incentive Rules

This Addendum amends Class Ruling CR 2005/97 to reflect additional information provided in relation to procedures adopted under the Qantas Code of Conduct and Ethics.

CR 2005/97 is amended as follows:

1. Paragraph 9

Omit:

- Qantas Deferred Share Plan Senior Manager Long Term Incentive Rules (DSP Rules); and
- correspondence from Qantas Airways Limited dated 18 July 2005.

Substitute:

- Qantas Deferred Share Plan Senior Manager Long Term Incentive Rules (DSP Rules);
- correspondence from Qantas Airways Limited dated 18 July 2005;
- Qantas Code of Conduct and Ethics; and
- correspondence from Qantas Airways Limited dated 19 June 2006 and 28 August 2006.

2. Paragraph 20

After the paragraph, insert:

20A. The applicant has advised that various procedures introduced since 2002 have been implemented under the Code of Conduct and Ethics – Insider Trading Policy. The procedures are intended to restrict the sale of Qantas securities by participating employees who are in possession of material, non-public information. Material, non-public information is information that could or would be likely to influence persons in deciding to buy or sell Qantas securities.

20B. From February 2006, a range of identified Qantas group finance staff (finance employees) are required to obtain approval to sell Qantas securities. Approval is subject to the non holding of material, non-public information.

20C. From July 2006, a revised process that applies to an expanded range of identified directors, executives and senior staff (expanded nominated employees) requires them to seek formal approval from the CEO (or his delegated nominee) to sell Qantas securities. The request for approval must state that at the time they do not believe they are in possession of material, non-public information.

3. Paragraph 34

After:

- the time when the holding lock period ceases to have effect; and

Insert:

- the time when any additional disposal restrictions cease to have effect, that are in effect or imposed on participating employees who are finance employees or expanded nominated employees, under the Qantas Code of Conduct and Ethics at the time the holding lock period expires, where those participating employees are, at that time, in possession of material, non-public information; and

4. Paragraph 63

(a) After:

- the time when any restriction preventing disposal of the DSP share by the participating employee ceases (that is, at the end of the holding lock period); and

Insert:

- the time when any additional disposal restrictions cease to have effect, that are in effect or imposed on participating employees who are finance employees or expanded nominated employees, under the Qantas Code of Conduct and Ethics – Insider Trading Policy. This will only apply to additional restrictions imposed or in place at the time the 4 year holding lock period expires and legal title to a DSP share is transferred to participating employees who are finance employees or expanded nominated employees and who, at that time, are in possession of material, non-public information; and

(b) After the paragraph, insert:

63A. Participating employees who are finance employees or expanded nominated employees and who are not in possession of material, non-public information at the time of the expiry of the 4 year holding lock period and who subsequently acquire material non-public information at any time after the expiry of the holding lock period, will not be considered to be subject to additional disposal restrictions for the purposes of determining when a cessation time occurs under subsection 139CA(2).

This Addendum applies from the income year ended 30 June 2007.

Commissioner of Taxation

18 October 2006

ATO references

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