



# The Jetset Travelworld Group



## **2013** NOTICE OF ANNUAL GENERAL MEETING

**Jetset Travelworld Limited and Controlled Entities**

ABN 60 091 214 998 ASX Code: JET

# Notice of Annual General Meeting

Notice is hereby given that the 2013 Annual General Meeting of Jetset Travelworld Limited ('JTL' or the 'Company') will be held:

DATE: Friday, 22 November 2013

TIME: 11:30am (Sydney time)

VENUE: Computershare Investor Services Pty Limited  
Level 4, 60 Carrington Street, Sydney NSW 2000

This Notice of Meeting should be read in conjunction with the Explanatory Notes accompanying this Notice of Meeting on pages 9-14. Terms used in this Notice of Meeting have the meaning given to them in the Glossary on page 15.





# Business of the Meeting

## ANNUAL REPORT

### Receipt and consideration of the Financial Report, Directors' Report and Auditor's Report

To receive and consider the Financial Report, together with the Directors' Report and the Auditor's Report, for the financial year ended 30 June 2013.

*Note: A copy of the Company's 2013 Annual Report (including the Financial Report, Directors' Report and Auditor's Report) is accessible on the Company's website at the following address: <http://www.jetsettravelworld.com.au/InvestorCentre/Annualreports.aspx>.*

## RESOLUTIONS

### 1. Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an advisory ordinary resolution:

*"That the Remuneration Report (which forms part of the Directors' Report) for the financial year ended 30 June 2013 be adopted."*

### 2. Re-election of Directors

#### 2.1 Re-election of Thomas Stephan Dery as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That Thomas Stephan Dery, who retires in accordance with the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."*

#### 2.2 Re-election of Adrian Michael John as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That Adrian Michael John, who retires in accordance with the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director."*

### 3. Grant of Performance Rights to the Chief Executive Officer, Robert Gurney

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval be given to the acquisition by Robert Gurney, Chief Executive Officer and Managing Director of the Company, of:*

- (a) 2,500,000 Performance Rights under the Company's Performance Rights Plan as a special performance incentive for the period from 1 July 2013 to 30 June 2015; and*
- (b) Shares on the vesting of some or all of those Performance Rights,*

*on the basis described in the Explanatory Notes to the Notice convening the Meeting."*

#### 4. Grant of Performance Rights to the Chief Operating Officer & CFO, Elizabeth Anne Gaines

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval be given to the acquisition by Elizabeth Anne Gaines, Chief Operating Officer & CFO and a Director of the Company, of:*

- (a) 369,162 Performance Rights under the Company's Performance Rights Plan as her long term incentive for the financial year ending 30 June 2014; and*
- (b) Shares on the vesting of some or all of those Performance Rights,*

*on the basis described in the Explanatory Notes to the Notice convening the Meeting."*

#### 5. Change of company name to 'Helloworld Limited'

To consider and, if thought fit, to pass the following resolution as a special resolution:

*"That:*

- (a) the Company adopt the new name 'Helloworld Limited'; and*
- (b) the constitution of the Company be amended by replacing references to 'Jetset Travelworld Limited' with 'Helloworld Limited', with effect from the day on which the Australian Securities and Investments Commission alters the details of the Company's registration to reflect its change of name."*



# Voting Exclusions

## VOTING EXCLUSIONS - RESOLUTIONS 1, 3 AND 4

### Resolution 1 (Adoption of Remuneration Report)

In accordance with the *Corporations Act*, the Company will disregard:

- (a) any votes cast (in any capacity) on Resolution 1 by or on behalf of:
  - (i) any member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report for the financial year ended 30 June 2013; or
  - (ii) a Closely Related Party of any such member of the Key Management Personnel; and
- (b) any votes cast as a proxy on Resolution 1 by any other person who is a member of the Key Management Personnel at the date of the Meeting, or by a Closely Related Party of any such person.

For the definitions of 'Key Management Personnel' ('KMP') and Closely Related Party, please refer to the Glossary on page 15. Members of the KMP include Directors (both Executive and Non-Executive) and certain senior executives.

However, the Company will not disregard a vote cast on Resolution 1 if it:

- (a) is cast by any person referred to above as proxy for a person entitled to vote on the Resolution, in accordance with a direction in the proxy appointment specifying how the proxy is to vote on the Resolution; or
- (b) is cast by the Chairman of the Meeting as proxy for a person entitled to vote on the Resolution where the proxy appointment authorises the Chairman to vote as he decides on the Resolution (even though the Resolution is connected with the remuneration of members of the KMP, including the Chairman).

Please read the information under the heading 'Chairman as proxy' on page 8, which deals with the Chairman's voting of undirected proxies on Resolution 1.

If you are a member of the KMP or a Closely Related Party of any such member, you may be held liable for breach of the voting restrictions in the *Corporations Act* if you cast a vote that the Company will disregard.

### Resolutions 3 and 4 (Grant of Performance Rights to the Chief Executive Officer and Chief Operating Officer & CFO)

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on either of Resolutions 3 and 4 by Robert Gurney, Elizabeth Anne Gaines or any associate of either of them. The term associate has the meaning given to it for the purposes of ASX Listing Rule 14.11.

In accordance with the *Corporations Act*, the Company will disregard any votes cast as a proxy on either of Resolutions 3 and 4 by:

- (a) any member of the KMP; or
- (b) a Closely Related Party of any member of the KMP.

However, the Company will not disregard a vote on Resolution 3 or 4 if it:

- (a) is cast by any person referred to above as proxy for a person entitled to vote on the Resolution, in accordance with a direction in the proxy appointment specifying how the proxy is to vote on the Resolution; or
- (b) is cast by the Chairman of the Meeting as proxy for a person entitled to vote on the Resolution where the proxy appointment authorises the Chairman to vote as he decides on the Resolution (even though the Resolution is connected with the remuneration of a member of the KMP).

Please read the information under the heading 'Chairman as proxy' on page 8, which deals with the Chairman's voting of undirected proxies on Resolutions 3 and 4.

If you are a member of the KMP or a Closely Related Party of any such person, you may be held liable for breach of the voting restrictions in the *Corporations Act* if you cast a vote that the Company will disregard.

## Background information

To assist you in deciding how to vote on the above Resolutions, background information on the Resolutions is set out in the Explanatory Notes forming part of this Notice of Meeting.

# Voting

## ENTITLEMENT TO ATTEND AND VOTE

You will be entitled to attend and vote at the Annual General Meeting if you are registered as a shareholder of the Company as at 7.00 pm (Sydney time) on Wednesday 20 November 2013. This is because, in accordance with the *Corporations Regulations 2001 (Cth)*, the Board of Directors has determined that the Shares on issue at that time will be taken, for the purposes of the Annual General Meeting, to be held by the persons who held them at that time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

## HOW TO VOTE

### Voting in person

Shareholders who plan to attend the meeting are asked to arrive at the venue 15 minutes prior to the time designated for the meeting if possible, so that their holding may be checked against the Company's register of members and attendances recorded. If you are attending the meeting, please bring the enclosed personalised proxy form with you to assist with registration.

### Corporate representatives

A body corporate, which is a shareholder or which has been appointed as a proxy, may appoint an individual to act as its corporate representative at the meeting in accordance with section 250D of the *Corporations Act*. The appropriate appointment document must be produced prior to admission. A form of appointment may be obtained by telephoning the Company's share registry (1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia)) or at [www.computershare.com](http://www.computershare.com) by downloading the form 'Appointment of Corporate Representative'.

### Voting by proxy

A shareholder who is entitled to attend and cast a vote at the meeting may appoint a proxy. A proxy need not be a shareholder, and may be an individual or body corporate. If a body corporate is appointed as a proxy it must appoint a corporate representative in accordance with section 250D of the *Corporations Act* to exercise its powers as proxy at the meeting (see above).

A shareholder who is entitled to cast two or more votes may appoint two proxies to attend the meeting and vote on their behalf and may specify the proportion or number of votes each proxy is appointed to exercise. If a shareholder appoints two proxies and the appointment does not specify the proportion or number of the shareholder's votes each proxy may exercise, each proxy may exercise half of the votes (disregarding fractions). If you wish to appoint a second proxy, an additional proxy form may be obtained by

telephoning the Company's share registry (1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia)) or at [www.computershare.com](http://www.computershare.com) or you may copy the enclosed proxy form.

To be effective for the scheduled meeting, a proxy appointment (and any power of attorney or other authority under which it is signed or otherwise authenticated, or a certified copy of that authority) must be received at an address or fax number set out below no later than 11.30am (Sydney time) on Wednesday, 20 November 2013 (being 48 hours before the commencement of the meeting). Any proxy appointment received after that time will not be valid for the scheduled meeting.

### In person

**Registered Office –**  
Level 3, 77 Berry Street,  
North Sydney NSW 2060

### By mail

**Share Registry –**  
Computershare Investor Services Pty Limited  
GPO Box 242,  
Victoria 3001 Australia

Registered Office - see address above

### By fax

**Share Registry –**  
1800 783 447 (within Australia)  
+61 3 9473 2555 (outside Australia)

**Registered Office –**  
+61 2 8920 0110

### Electronically

Shareholders may submit their proxy appointment electronically to the Company's Share Registry by visiting the following internet address: [www.investorvote.com.au](http://www.investorvote.com.au).

For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your proxy appointment.

For more information concerning the appointment of proxies and the ways in which proxy appointments may be submitted, please refer to the enclosed proxy form.

### Voting by attorney

A shareholder may appoint an attorney to attend and vote on their behalf. For an appointment to be effective for the meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at its registered office or one of the addresses listed above for the receipt of proxy appointments at least 48 hours prior to the commencement of the meeting.

## VOTING (continued)

### Chairman as proxy

If you appoint a proxy, the Company encourages you to consider directing them how to vote by marking the appropriate box on the proxy form for each of the proposed Resolutions.

If you appoint the Chairman of the Meeting as your proxy (or the Chairman becomes your proxy by default) and you do not direct your proxy how to vote on a Resolution, you will be authorising the Chairman to vote as he decides on the relevant Resolution (even though Resolutions 1, 3 and 4 are connected with the remuneration of members of the KMP). On a poll, the Chairman of the Meeting intends to vote, as your proxy, in favour of each of the proposed Resolutions (where permissible).

If you do not want the Chairman of the Meeting to vote, as your proxy, in favour of any Resolution, you need to direct your proxy to vote against, or to abstain from voting on, the relevant Resolution by marking the appropriate box on the proxy form.

### Other members of KMP as proxy

If you appoint a Director (other than the Chairman of the Meeting) or another member of the KMP (or a Closely Related Party of any member of the KMP) as your proxy, you should direct them how to vote on Resolutions 1, 3 and 4 by marking the appropriate box on the proxy form. If you do not do so, they will not be able to vote as your proxy on those Resolutions.

## QUESTIONS FROM SHAREHOLDERS

The Chairman of the Meeting will allow a reasonable opportunity for shareholders at the meeting to ask questions about and make comments on the management of the Company and on the Financial Report, the Directors' Report (including the Remuneration Report) and the Auditor's Report (**Reports**), as well as each of the Resolutions to be considered at the meeting.

Ms Kristin Stubbins (or another representative) of the Company's auditor, PricewaterhouseCoopers, will attend the meeting. During the meeting's consideration of the Reports, the Chairman of the Meeting will allow a reasonable opportunity for shareholders at the meeting to ask the auditor's representative questions relevant to the:

- conduct of the audit;
- preparation and content of the Auditor's Report for the financial year ended 30 June 2013;

- accounting policies adopted by the Company in relation to the preparation of the financial statements contained in the Financial Report for that year; and
- independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to the Company's auditor if the question is relevant to the content of the Auditor's Report or the conduct of the audit.

If you wish to submit a question in advance of the meeting, you may do so by sending your question to one of the addresses or facsimile numbers below by no later than Friday, 15 November 2013.

### In person

**Registered Office –**  
Level 3, 77 Berry Street,  
North Sydney NSW 2060

### By mail

**Share Registry –**  
Computershare Investor Services Pty Limited  
GPO Box 242  
Victoria 3001 Australia

### By e-mail

alex.carrodus@jtg.com.au

### By fax

**Share Registry –**  
1800 783 447 (within Australia)  
+61 3 9473 2555 (outside Australia)

The Company and the auditor will attempt to respond to as many of the more frequently asked questions as possible. Due to the large number of questions that may be received, the Company and the auditor will not be replying on an individual basis.

### By Order of the Board



Stephanie Belton  
Group Company Secretary  
Jetset Travelworld Limited  
17 October 2013



# Explanatory Notes

## Receipt and consideration of the Financial Report, Directors' Report and Auditor's Report

The *Corporations Act* requires the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2013 to be laid before the Annual General Meeting.

The 2013 Annual Report of the Company, including the Financial Report, the Directors' Report (including the Remuneration Report) and the Auditor's Report for the year ended 30 June 2013, may be accessed by visiting the Company's investor relations website at [www.jetsettravelworld.com.au/InvestorCentre/Annualreports.aspx](http://www.jetsettravelworld.com.au/InvestorCentre/Annualreports.aspx). A printed copy of the 2013 Annual Report has been sent to those shareholders who have elected to receive one.

During this item of business, shareholders will be provided with a reasonable opportunity to ask questions, and to make comments, in relation to these Reports and the management of the Company. No formal resolution to adopt the Reports will be put to shareholders at the meeting (save for Resolution 1 for adoption of the Remuneration Report).

Shareholders will also be given a reasonable opportunity during this item of business to ask a representative of the Company's auditor, PricewaterhouseCoopers, questions relevant to the matters outlined under the heading 'Questions from Shareholders' on page 8.

## Resolution 1 – Adoption of the Remuneration Report

The *Corporations Act* requires that a resolution for adoption of the Remuneration Report be put to the vote at the Company's Annual General Meeting. The vote on this resolution is advisory only and does not bind the Directors or the Company.

However, the *Corporations Act* provides for a 'two strikes rule' in relation to voting on the Remuneration Report. This rule would apply if, at two consecutive Annual General Meetings, the resolution for adoption of the Remuneration Report were to receive a 'no' vote of 25% or more of the votes cast on the resolution. In that case, a further resolution (a 'spill resolution') would be required to be put to shareholders at the second of those Annual General Meetings. If passed, the spill resolution would require an extraordinary general meeting of the Company (a 'spill meeting') to be held within 90 days of the second Annual General Meeting, for the purpose of considering the election of Directors. At the spill meeting, the directors (other than the Managing Director) who were in office at the date of approval by the Board of the most recent Directors' Report would cease to hold office, unless re-elected at the meeting. For any spill resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it.

In addition, if comments are made on the Remuneration Report at the Annual General Meeting and 25% or more of the votes cast on Resolution 1 are against the adoption of the Remuneration Report, the Company's Remuneration Report for the current financial year will be required to include an explanation of the Board's proposed action in response to those comments or, if no action is proposed, the Board's reasons for this.

At the Company's 2012 Annual General Meeting, 98.64% of the votes cast on the resolution for adoption of the Remuneration Report were in favour of the resolution and no comments were made on the Remuneration Report at that meeting.

The Remuneration Report is on pages 21 to 34 of the 2013 Annual Report, which may be accessed by visiting the Company's investor relations website at [www.jetsettravelworld.com.au/InvestorCentre/Annualreports.aspx](http://www.jetsettravelworld.com.au/InvestorCentre/Annualreports.aspx).

During this item, shareholders will be provided with a reasonable opportunity to ask questions about and make comments on the Remuneration Report.

Please read the information under the heading 'Chairman as proxy' on page 8, which deals with the Chairman's voting of undirected proxies on the resolution for adoption of the Remuneration Report (Resolution 1).

Voting exclusions apply to Resolution 1. These are outlined under the heading 'Voting Exclusions – Resolutions 1, 3 and 4' on page 6.

The Remuneration Report forms part of the Directors' Report which was made in accordance with a unanimous resolution of the Directors. Each of the Directors recommends the Remuneration Report to shareholders for adoption.

### Resolution 2 – Re-Election of Directors

#### Background

Thomas Stephan Dery and Adrian Michael John are Directors who will retire by rotation at the Annual General Meeting. In accordance with rule 3.6 of the Constitution, at each annual general meeting of the Company, one third of the Directors for the time being (excluding Directors retiring under rule 3.3 and the Managing Director), or if that is not a whole number, the nearest whole number that is not more than one third, must retire from office and each retiring Director is eligible for re-election. However, no Director (other than the Managing Director) may retain office past the third Annual General Meeting after their last re-election, without submitting himself or herself for re-election (even if the submission results in more than one third of the Directors retiring from office).

Messrs Thomas Stephan Dery and Adrian Michael John each intend to offer themselves for re-election at the 2013 Annual General Meeting.

Profiles of each of the candidates for re-election as a Director are set out below.

#### Resolution 2.1 – Re-election of Thomas Stephan Dery as a Director

Mr Dery was appointed to the Board on 17 September 2008 and appointed as Chairman on 27 February 2009. Mr Dery is an independent Director and a member of the Audit Committee and the Remuneration and Nominations Committee. He was last re-elected as a Director at the Company's 2010 Annual General Meeting.

Mr Dery began his working career with Qantas Airways Limited in 1967 as a Commercial Trainee in the market research department. After obtaining a degree in Commerce (Economics) from the University of New South Wales and a Master of Business Administration degree at Stanford University in 1975, he co-founded the advertising agency The Campaign Palace. In 1979, Mr Dery accepted an appointment as Visiting Fellow in Marketing at Monash University prior to joining Ansett Transport Industries.

Mr Dery rose to the role of Assistant General Manager for Ansett Airlines with responsibility for all commercial and strategic activities responding to the challenges of airline deregulation. In the early 1990s, he was named Marketing Man of the Year and further assumed responsibility for Ansett associated businesses, East West Airlines, Ansett New Zealand, Diners Club and Traveland. In 1995, Mr Dery established Whybin Dery & Partners and, following its sale to DDB Needham, he was appointed Managing Director of that firm's Melbourne operation. Mr Dery was then appointed Chairman, Asia Pacific for M&C Saatchi and was responsible for the establishment of offices throughout the region. He was appointed Chairman of M&C Saatchi Worldwide on 1 January 2009.

Mr Dery is also Chairman of the Australian Cancer Research Foundation and a Director of The Communications Council, Queenwood School for Girls and the Dean's Advisory Council at University of NSW.

The Board of Directors (excluding Mr Dery) recommends that shareholders vote in favour of Mr Dery's re-election as a Director. Mr Dery makes no recommendation because of his personal interest in the resolution.

#### Resolution 2.2 – Re-election of Adrian Michael John as a Director

Mr John was appointed to the Board on 26 May 2011 and elected as a Director at the Company's 2011 Annual General Meeting. Mr John is also a member of the Audit Committee.

Mr John joined Qantas in 2010 and is Executive Manager, Transformation and Transactions. In that role he manages a number of Qantas Group departments which are responsible for mergers and acquisitions, transformation and the commercial relationships with Australian airports. Prior to joining Qantas, Mr John had been a partner in Ernst & Young where he advised a wide range of listed and unlisted companies and private equity across multiple industry sectors on a variety of corporate finance and strategic matters including mergers and acquisitions, transaction due diligence, valuations, capital management and strategy development. Mr John also served a period of time as a member of the Board of Partners of Ernst & Young, Ernst & Young's peak governance body. Mr John received a BSc (Hons) in Civil Engineering from Manchester University, and is a Member of the Institute of Chartered Accountants in Australia and the Institute of Chartered Accountants in England & Wales.

Mr John is not regarded as an independent Director as he is an executive of Qantas, the ultimate holder of QH Tours Limited, which is a substantial shareholder of the Company.

The Board of Directors (excluding Mr John) recommends that shareholders vote in favour of Mr John's re-election as a Director. Mr John makes no recommendation because of his personal interest in the resolution.

## Resolutions 3 and 4 – Grant of Performance Rights to Chief Executive Officer, Robert Gurney and Chief Operating Officer & CFO, Elizabeth Anne Gaines

### Background

The performance of the Group depends upon the quality of its executives. To prosper, the Group must attract, motivate and retain highly skilled executives.

The Group embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre executives;
- have a certain portion of executive remuneration 'at risk', dependent upon meeting pre-determined performance benchmarks;
- link executive rewards to shareholder value; and
- establish appropriate, demanding performance hurdles in relation to variable executive remuneration.

To enhance its remuneration framework, the Board adopted the Jetset Travelworld Performance Rights Plan ('Plan') in 2011. The Plan was approved by shareholders at the 2011 Annual General Meeting and a summary of the terms and conditions is set out in the 2011 Notice of Annual General Meeting (a copy of which is available on the Company's investor relations website at [www.jetsettravelworld.com.au](http://www.jetsettravelworld.com.au)).

A copy of the Plan Rules is also available for inspection by shareholders at the Company's registered office during business hours, or may be obtained free of charge by contacting the Company Secretary on 02 8229 4118.

Proposed Resolutions 3 and 4 seek to obtain shareholder approval, for the purposes of ASX Listing Rule 10.14 and all other purposes, for the grant of Performance Rights under the Plan (and the delivery of Shares on vesting of those Performance Rights) to executive Directors, Robert Gurney and Elizabeth Anne Gaines. On grant, each Performance Right gives the holder a right to acquire one Share, provided that any applicable performance or other vesting conditions are satisfied (or waived).

### Proposed grant to Mr Gurney

As announced to ASX on 22 July 2013 and outlined in the 2013 Annual Report, the Company has embarked on a business transformation program, involving the launch and roll-out of the new brand 'helloworld' and entry into a long-term strategic partnership with the US-based online travel company, Orbitz Worldwide Inc. This is a major transformation program which, if successfully implemented, should result in the Company having a strong position in the Australian travel agency market and improved financial performance.

Implementation of this program is expected to be substantially completed during the financial year ending 30 June 2015 ('FY2015').

In recognition of the key role that Mr Gurney, the Company's Chief Executive Officer and Managing Director, is performing and is expected to perform in implementing this transformation program over the period from 1 July 2013 to 30 June 2015 ('Incentive Period') the Company proposes to make a grant of Performance Rights to Mr Gurney under the Plan as a special performance incentive for this period. This special grant is intended to align vesting of a core component of Mr Gurney's remuneration with the successful implementation and delivery of the transformation program, including an improved profit after tax, in accordance with the business plan and strategy approved by the Board.

It is intended that this special grant be made instead of any other long term incentive award in respect of the financial years ending 30 June 2014 and 30 June 2015.

### Proposed grant to Ms Gaines

The Company proposes to make a further grant of Performance Rights under the Plan to Ms Gaines, the Company's Chief Operating Officer & CFO and an Executive Director, as the long term incentive component of her remuneration for the financial year ending 30 June 2014 ('FY2014').

### ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires shareholder approval before a Director may acquire securities in the Company under an employee incentive scheme (such as the Plan).

Shareholder approval is sought for the grant of Performance Rights to Mr Gurney and Ms Gaines in accordance with the Plan and on the basis described below.

### Maximum awards

The number of Performance Rights proposed to be granted to Mr Gurney and Ms Gaines is set out below.

Award	% of fixed annual remuneration	\$	No. of performance rights
<b>R Gurney</b>			
Incentive Period	–	1,000,000	2,500,000
<b>E Gaines</b>			
FY2014	20%	125,515	369,162

The number of Performance Rights to be granted to Mr Gurney as part of his special incentive for the Incentive Period was determined by dividing the relevant dollar amount specified above by a notional allocation price of \$0.40. The dollar amount and notional allocation price were determined by the Plan Committee (being the Remuneration and Nominations Committee).

## EXPLANATORY NOTES (continued)

The number of Performance Rights to be granted to Ms Gaines for FY2014 was determined by dividing the relevant dollar amount specified above by a notional allocation price of \$0.34 (being the average of the daily closing prices of Shares on ASX over the five trading day period immediately prior to 1 July 2013). The FY2014 dollar amount noted above for Ms Gaines' award was calculated by multiplying the specified percentage for the award by Ms Gaines' fixed annual remuneration.

In considering the proposed awards to the executive Directors, the Plan Committee formed the view that the awards are reasonable and appropriate in the circumstances of the Company.

### Performance periods

The Performance Period for the Performance Rights proposed to be granted to Mr Gurney as a special performance incentive is the financial year ending 30 June 2015.

The proposed award of Performance Rights to Ms Gaines as her long term incentive for FY2014 will be divided into three tranches, each with a separate Performance Period:

#### FY2014

Tranche	Proportion of award	Performance period length	Performance period dates for Performance Rights to be granted for FY 2014
1	33%	2 years	1 July 2013 – 30 June 2015
2	33%	3 years	1 July 2013 – 30 June 2016
3	34%	4 years	1 July 2013 – 30 June 2017

### Performance vesting criteria

#### R Gurney special performance incentive for the Incentive Period

The Performance Rights proposed to be granted to Mr Gurney as a special performance incentive for the Incentive Period will be subject to a performance condition linked to the Company's consolidated profit after income tax expense for FY2015 as reported in the Company's audited consolidated income statement for FY2015, subject to any adjustment in relation to exceptional items as determined by the Plan Committee in its discretion ('PAT'). For the purposes of this performance condition, the Plan Committee has set threshold and maximum targets, having regard to the business plan and strategy approved by the Board.

To achieve vesting, the FY2015 PAT achieved must meet or exceed the threshold target determined by the Plan Committee.

1,000,000 Performance Rights (being forty per cent (40%) of the grant) will vest if the threshold target PAT is satisfied, while 2,500,000 Performance Rights (being one hundred per cent (100%) of the grant) will vest if the maximum target is achieved or exceeded, with 'straight line' vesting in between as follows:

PAT	Proportion of Performance Rights 'vesting'
Below threshold target	0%
At threshold target	40%
Between threshold and maximum targets	Pro-rata on a straight line basis from 40% to 100%
At or above maximum target	100%

#### E Gaines long term incentive for FY2014

The Performance Rights proposed to be granted to Ms Gaines as her long term incentive for FY2014 will be subject to performance conditions linked to growth in the Company's Earnings Per Share, subject to any adjustment in relation to exceptional items as determined by the Plan Committee in its discretion ('EPS'). The EPS performance conditions are determined by reference to cumulative basic EPS, aggregated over the applicable performance period, measured against a specified EPS target determined by the Plan Committee.

To achieve vesting, the aggregate EPS performance for each performance period must meet or exceed the applicable targets determined by the Plan Committee.

Fifty per cent (50%) of each tranche of those Performance Rights will vest at the minimum specified EPS performance (see below), while one hundred per cent (100%) will vest at or above the maximum specified performance, with 'straight line' vesting in between as follows:-

JTG's cumulative compound EPS growth over the applicable performance period	Proportion of tranche of Performance Rights 'vesting'
< 90% of target	0%
90% of target	50%
> 90% ≤ 110% of target	Pro-rata on a straight line basis from 50% to 100%
> 110% of target	100%

### Treatment of Performance Rights on termination of employment or change in control

Unless otherwise determined by the Plan Committee, all unvested Performance Rights held by Mr Gurney or Ms Gaines will lapse in certain circumstances, including if they voluntarily resign from their employment or are dismissed from their employment for a reason which entitles the Company to terminate their employment without notice. Under the Plan Rules, if they cease employment in various other circumstances before the end of the performance period applicable to a particular tranche of their unvested Performance Rights, then (unless the Plan Committee determines otherwise) only a proportion of those Performance Rights will lapse (determined by reference to the fraction of the performance period, in respect of Ms Gaines, or the Incentive Period, in respect of Mr Gurney, during which they will not be an employee).

The Plan Rules provide that (unless otherwise determined by the Plan Committee) if a change of control event occurs, all of a participant's Performance Rights will vest even though any applicable performance conditions may not have been satisfied at that time. A change of control event is defined in the Plan Rules to mean a person acquiring voting power (within the meaning of section 610 of the *Corporations Act*) in more than 50% of the fully paid ordinary shares in the Company as a result of a takeover bid or scheme of arrangement, or any other event (such as a merger between the Company and another company) which the Board determines in its absolute discretion to be a change of control event.

### Additional information disclosed under the ASX Listing Rules

ASX Listing Rule 10.15 requires certain additional information to be given in or with a Notice of Meeting seeking approval of a director's acquisition of securities under an employee incentive scheme for the purposes of ASX Listing Rule 10.14.

For the purposes of ASX Listing Rule 10.15, the following additional information is provided to shareholders to assist them in determining whether to approve the proposed grant of Performance Rights to Mr Gurney and Ms Gaines under Resolutions 3 and 4, respectively.

- Subject to shareholder approval, the maximum aggregate number of Performance Rights that may be acquired by Mr Gurney and Ms Gaines under those Resolutions is 2,869,162 Performance Rights, consisting of:
  - a total of 2,500,000 Performance Rights proposed to be granted to Mr Gurney as a special performance incentive for the Incentive Period; and
  - a total of 369,162 Performance Rights proposed to be granted to Ms Gaines as her long term incentive for FY2014.

The formula used to calculate the number of Performance Rights to be granted to each of Mr Gurney and Ms Gaines is outlined above under the heading 'Maximum awards'.

If approved, the Performance Rights will give each of Mr Gurney and Ms Gaines a conditional entitlement to acquire the number of Shares equal to the number of Performance Rights granted to them (subject to adjustment in the event of a capital reorganisation or otherwise in accordance with the Plan Rules).

- The acquisition price for each Performance Right is nil and no money will be payable by Mr Gurney or Ms Gaines to acquire a Share on vesting and conversion of a Performance Right. The acquisition price is therefore not based on the market price of Shares. As outlined above:-
  - a notional allocation price of \$0.40 was used to determine the number of Performance Rights proposed to be granted to Mr Gurney as his special performance incentive for the Incentive Period; and
  - a notional allocation price calculated by reference to the average daily closing price of Shares on ASX over the five trading days immediately prior to 1 July 2013 was used to determine the number of Performance Rights proposed to be granted to Ms Gaines as her long term incentive for FY2014.
- Mr Gurney and Ms Gaines are currently the only people entitled to participate in the Plan to whom ASX Listing Rule 10.14 applies.
- As approved by shareholders at the Company's 2012 Annual General Meeting, grants of Performance Rights were made since that meeting to Mr Gurney and to Ms Gaines (including as their long term incentives for the financial years ending 30 June 2012 and 30 June 2013 (respectively 'FY2012' and 'FY2013')) as follows:-

Participant	% of Fixed Annual Remuneration	\$	No. of Performance Rights <sup>1</sup>
<b>R Gurney</b>			
Sign-on Bonus	50%	375,000	815,217
FY2013	40%	300,000	638,298
<b>Total</b>			<b>1,453,515</b>
<b>E Gaines</b>			
FY2012	12.09%	72,540	201,499
FY2013	12.09%	72,540	201,499
<b>Total</b>			<b>402,998</b>

<sup>1</sup> The acquisition price for each Performance Right was nil.

The number of Sign-on Bonus Performance Rights for Mr Gurney was determined using the closing price of Shares on the ASX on Mr Gurney's commencement date 27 August 2012. This price was \$0.46. The vesting date is the second anniversary of Mr Gurney's commencement date 27 August 2014.

The number of FY2013 Performance Rights for Mr Gurney was determined using the average of the daily closing price of Shares on the ASX over the 5 day trading period immediately prior to Mr Gurney's appointment. This price was \$0.47.

The number of FY2012 and FY2013 Performance Rights for Ms Gaines was determined using the average of the daily closing price of Shares on the ASX over the 5 day trading period immediately prior to 1 July 2012. This price was \$0.36.



## EXPLANATORY NOTES (continued)

The grants of Performance Rights for FY2013 in respect of Mr Gurney, and for FY2012 and FY2013 in respect of Ms Gaines, were divided into three tranches, with different performance periods.

Of the FY2012 Tranche 1 award to Ms Gaines, 70.09% vested on 27 August 2013 with the remaining 29.91% lapsing. Ms Gaines has therefore been issued 46,604 Shares, for which no amount was payable. Tranches 2 and 3 (representing 67%) of the Performance Rights granted to Ms Gaines for FY2012 remain subject to performance conditions, details of which are set out in the Remuneration Report.

Tranches 1 to 3 of the FY2013 Performance Rights for Mr Gurney and Ms Gaines remain subject to performance conditions, details of which are set out in the Remuneration Report.

- As approved by shareholders at the Company's 2011 Annual General Meeting and disclosed in the Company's 2012 Notice of Meeting, a grant of Performance Rights was made on 30 June 2011 to Ms Gaines for the year ended 30 June 2011 ('FY2011') as follows:-

Participant	% of Fixed Annual Remuneration	\$	No. of Performance Rights <sup>1</sup>
EA Gaines	20%	120,000	150,000

<sup>1</sup> The acquisition price for each Performance Right was nil. The number of Performance Rights was determined using the average of the daily closing price of Shares on the ASX over the 5 day trading period immediately prior to 29 June 2011. This price was \$0.80.

The grant of Performance Rights for FY2011 was divided into three tranches, with different performance periods. Tranche 2 of the grant represented 25% of the total award. Of the FY2011 Tranche 2 award to Ms Gaines, 86.25% vested on 27 August 2013 with the remaining 13.75% lapsing. Ms Gaines has therefore been issued 32,344 Shares, for which no amount was payable. Tranche 3 (representing 25%) of the Performance Rights granted to Ms Gaines for FY2011 remains subject to performance conditions, details of which are set out in the Remuneration Report.

- Voting exclusions apply to Resolutions 3 and 4. These are outlined in the Notice of Meeting under the heading 'Voting Exclusions – Resolutions 1, 3 and 4'.
- No loans will be made in relation to the proposed acquisition of Performance Rights (or Shares) under the Plan by Mr Gurney or Ms Gaines.
- Subject to shareholder approval, it is intended that the Performance Rights for Mr Gurney's special performance incentive in respect of the Incentive Period, and the Performance Rights for Ms Gaines' FY2014 long term incentive, will be granted to each of Mr Gurney and Ms Gaines as soon as practicable after the date of the Annual General Meeting and, in any event, no later than 21 November 2014 (being 12 months after the date of the Annual General Meeting).

### Board recommendation

The non-executive Directors believe that the proposed grants of Performance Rights to Mr Gurney as a special performance incentive for the Incentive Period and to Ms Gaines as her long term incentive for the financial year ending 30 June 2014 are appropriate and in the best interests of shareholders. The Board of Directors (excluding Mr Gurney and Ms Gaines) therefore recommends that shareholders vote in favour of Resolutions 3 and 4. Mr Gurney and Ms Gaines make no recommendation in view of their proposed participation in the grants.

### Resolution 5 – Change of company name to 'Helloworld Limited'

On 22 July 2013, the Jetset Travelworld Group announced the launch of a new brand "helloworld", which existing members and franchisees have the opportunity to adopt to create an extensive network of over 1,000 travel agents.

The Directors are proposing to change the name of the Company to 'Helloworld Limited'. This proposed change of name reflects the transformation of our business and the formal launch of the new identity of the Group.

For the Company to change its name, its proposed new name needs to be adopted by a special resolution - that is, a resolution passed by at least 75% of the votes cast by shareholders who are present (whether in person or by proxy, attorney or representative) and entitled to vote on the resolution.

If Resolution 5 is passed, the change of name will take effect on the date on which ASIC alters details of the Company's registration to reflect the change. Resolution 5 will also amend the Constitution to reflect the change of name.

The Board of Directors unanimously recommends that shareholders vote in favour of Resolution 5.

# Glossary

In this Explanatory Memorandum and the Notice of Meeting, the following terms have the following meanings (unless otherwise indicated):

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited trading as the Australian Securities Exchange.

**ASX Listing Rules** means the listing rules of ASX as amended from time to time.

**Board** means the board of Directors.

**Closely Related Party**, in relation to a member of the KMP, means the member's spouse, child or dependant (or a child or dependant of the member's spouse), anyone else in the member's family who may be expected to influence, or be influenced by, the member in the member's dealings with the Company and/or the Group, and any company that the member controls.

**Company** means Jetset Travelworld Limited  
ABN 60 091 214 998.

**Constitution** means the constitution of the Company.

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

**Director** means a director of the Company for the time being.

**Group** means the Company and its controlled entities.

**Key Management Personnel** or **KMP** means those persons having authority and responsibility for planning, directing and controlling the activities of the Company and/or the Group, whether directly or indirectly.

**Notice of Meeting** means the 2013 Notice of Annual General Meeting.

**Plan** means the Jetset Travelworld Performance Rights Plan.

**Resolution** means a resolution referred to in the Notice of Meeting.

**Share** means a fully paid ordinary share in the capital of the Company.

# The Jetset Travelworld Group

[jetsettravelworld.com.au](http://jetsettravelworld.com.au)



## Lodge your proxy:



**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)



**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

000001 000 JET  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form



Lodge your proxy online or view the annual report, 24 hours a day, 7 days a week:

**[www.investorvote.com.au](http://www.investorvote.com.au)**



**Lodge your proxy appointment**



**Access the annual report**



**Review and update your securityholding**

**Your secure access information is:**

**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**



**PLEASE NOTE:** For security reasons it is important that you keep your Control Number and SRN/HIN confidential.

**For your proxy to be effective it must be received by 11:30am (Sydney time) on Wednesday 20 November 2013.**

### Directing your proxy how to vote on the proposed Resolutions

#### Appointment of Proxy

Your proxy may decide whether to vote on a Resolution, except where your proxy is required by law or the Company's constitution to vote, or abstain from voting, in their capacity as proxy. If your proxy is directed how to vote on a Resolution, your proxy may vote on that Resolution only in accordance with that direction.

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each Resolution. If you do not mark a box on a Resolution your proxy may vote as they choose on that Resolution (to the extent permitted by law). If you mark more than one box on a Resolution, your vote will be invalid on that Resolution.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you may specify the percentage of votes or number of securities for each proxy otherwise each proxy may exercise half of the votes (disregarding fractions). When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

#### Appointment of the Chairman of the Meeting or another member of the key management personnel (KMP) as a Proxy

If you appoint the Chairman of the Meeting as your proxy (or the Chairman becomes your proxy by default) and you do not direct your proxy how to vote on a Resolution, you will be authorising the Chairman of the Meeting to vote as he decides on that Resolution (even though Resolutions 1, 3 and 4 are connected with the remuneration of members of the KMP). On a poll, the Chairman of the Meeting intends to vote, as your proxy, in favour of each Resolution (where permissible). If you do not want the Chairman of the Meeting to vote, as your proxy, in favour of any Resolution, you need to direct your proxy to vote against, or to abstain from voting on, the relevant Resolution by marking the appropriate box overleaf.

If you appoint a Director (other than the Chairman of the Meeting) or another member of the KMP (or a closely related party of any member of the KMP) as your proxy, you should direct them how to vote on Resolutions 1, 3 and 4 by marking the appropriate box overleaf. If you do not do so, they will not be able to vote as your proxy on those Resolutions.

### Lodgement of Proxy

This proxy form and an original or certified copy of any power of attorney or other authority (if any) under which it is signed must be received by the registry or the Company at the addresses provided in the top right corner of this page (or in the accompanying Notice of Meeting) no later than 11:30am (Sydney time) on Wednesday 20 November 2013, or if the meeting is adjourned, at least 48 hours before the resumption of the meeting in relation to the resumed part of the meeting. Any proxy form (and any power of attorney or other authority under which it is signed) received after that time will not be valid for the purposes of the meeting.

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the holding is in the name of a company, this proxy form must be executed in accordance with that company's constitution. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the information tab, "Downloadable Forms". If an attorney is to attend the meeting, the duly executed power of attorney (or a certified copy) appointing that attorney must be provided to the registry or the Company no later than the deadline for receipt of proxies (as set out above).

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO LODGE YOUR PROXY,  
or turn over to complete the form** →

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

☐

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

# Proxy Form

Please mark ☒ to indicate your directions

STEP 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Jetset Travelworld Limited hereby appoint

☐ the Chairman of the Meeting

OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or if the individual or body corporate named does not attend the meeting, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Jetset Travelworld Limited to be held at Computershare Investor Services Pty Limited, Level 4, 60 Carrington Street, Sydney NSW 2000 on Friday 22 November 2013 at 11:30am (Sydney time) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman of the Meeting becomes my/our proxy by default) and am/are entitled to vote on the relevant Resolution, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy on, and in connection with, each of Resolutions 1, 3 and 4 even though each of those Resolutions is connected directly or indirectly with the remuneration of a member of the key management personnel for the Jetset Travelworld Group, and even though the Chairman is a member of the key management personnel.

**PLEASE NOTE:** If you do not want the Chairman of the Meeting to vote as your proxy in favour of Resolutions 1, 3 and 4, you need to direct your proxy to vote against, or to abstain from voting on, those Resolutions by marking the appropriate boxes in step 2 below.

**The Chairman of the Meeting intends to vote undirected proxies in favour of each of the proposed Resolutions (where permissible).**

STEP 2

Resolutions

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Please read the accompanying Notice of Meeting for details of each of the proposed Resolutions.

		For	Against	Abstain
1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.1	Re-election of Thomas Stephan Dery as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.2	Re-election of Adrian Michael John as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Grant of Performance Rights to the Chief Executive Officer, Robert Gurney	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Grant of Performance Rights to the Chief Operating Officer & CFO, Elizabeth Anne Gaines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Change of company name to 'Helloworld Limited'	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

Contact  
Daytime  
Telephone

Date     /     /