



corporate travel
management

ABN 17 131 207 611

Dear Shareholder,

On behalf of the Board, I am pleased to invite you to attend the Corporate Travel Management Limited 2016 Annual General Meeting (AGM) to be held on Thursday, 27th October 2016 in the offices of McCullough Robertson Lawyers at Level 32, MLC Centre, 19 Martin Place, Sydney, New South Wales 2000.

The meeting is scheduled to start at 11:00am (Sydney time). Registration is from 10:00am.

Your documentation includes the Notice of Meeting and Explanatory Memorandum and a personalised Shareholder Voting Form.

If you are attending the meeting, please bring your Shareholder Voting Form with you, as it will make registration easier.

Shareholders who will not be attending the meeting can lodge their proxy vote by mail using the reply paid envelope provided, voting online at www.investorvote.com.au or by faxing the form to the Share Registry, Computershare Investor Services Pty Limited, on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia) .

Your proxy vote must be received at the share registry office no later than 11:00am (Sydney time) on Tuesday 25th October 2016, to be valid.

At the conclusion of the meeting, I invite you to join the Corporate Travel Management Board and the Senior Leadership team for afternoon tea.


Yours sincerely,

Tony Bellas
Chairman

If you have any questions regarding the meeting, please phone our share registry, Computershare Investor Services Pty Limited on 1300 850 505.

Lodge your vote:

 **Online:**
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

For all enquiries call:
(within Australia) 1300 782 544
(outside Australia) +61 3 9415 4173

Proxy Form

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Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999

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

 **For your vote to be effective it must be received by 11:00am (Sydney time) Tuesday, 25 October 2016**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

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

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 must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. 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.

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 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 under the help tab, "Printable Forms".

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 VOTE,
or turn over to complete the form** ➔

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.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Corporate Travel Management 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 failing the individual or body corporate named, 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 Corporate Travel Management Limited to be held at the offices of McCullough Robertson Lawyers at Level 32, MLC Centre, 19 Martin Place, Sydney, New South Wales 2000 on Thursday, 27 October 2016 at 11:00am (Sydney time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 1, 5, 8, 9, 10 and 11** (except where I/we have indicated a different voting intention below) even though **Items 1, 5, 8, 9, 10 and 11** are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 1, 5, 8, 9, 10 and 11** by marking the appropriate box in step 2 below.

STEP 2 Items of Business

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.

	For	Against	Abstain		For	Against	Abstain
1 Directors' Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Ratification and approval of previous issue of 204,216 shares to employees of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Tony Bellas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval of Share Appreciation Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Admiral Robert J. Natter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Increase in Directors' Fee Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Laura Ruffles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Issue of share appreciation rights to Ms Laura Ruffles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification and approval of previous issue of 78,185 shares to employees of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Renewal of proportional takeover approval provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Ratification and approval of previous issue of shares to Montrose Travel vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Ratification and approval of previous issue of shares to Travizon Travel vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

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 / / _____



corporate travel
management

Notice of Annual General Meeting

Corporate Travel Management Limited ACN 131 207 611

Notice of Annual General Meeting

Corporate Travel Management Limited ACN 131 207 611

Notice is given that the Annual General Meeting of Corporate Travel Management Limited ACN 131 207 611 (**Company** or **CTM**) will be held at:

Location	The offices of McCullough Robertson Lawyers at Level 32, MLC Centre, 19 Martin Place, Sydney, New South Wales 2000
Date	Thursday, 27 October 2016
Time	11.00am (Sydney time)

Ordinary Business

Financial statements and reports

To consider and receive the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2016.

Directors' Remuneration Report

To consider and, if in favour, pass the following resolution in accordance with section 250R(2) of the Corporations Act:

- 1 'That the Remuneration Report be adopted.'

Note: This resolution shall be determined under section 250R(2) of the Corporations Act. Votes must not be cast on this resolution by Key Management Personnel and closely related parties in contravention of section 250R or 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this resolution.

Re-election and election of Directors

Re-election of Mr Tony Bellas

To consider and, if in favour, pass the following resolution as an ordinary resolution:

- 2 'That Mr Tony Bellas, a Non-Executive Director and Chairman, who retires by rotation in accordance with Listing Rule 14.5 and rule 19.3 of the Constitution, and being eligible, be re-elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Mr Tony Bellas abstaining) recommend that you vote in favour of this resolution.

Re-election of Admiral Robert J. Natter

To consider and, if in favour, pass the following resolution as an ordinary resolution:

- 3 'That Admiral Robert J. Natter, a Non-Executive Director, who retires by rotation in accordance with Listing Rule 14.5 and rule 19.3 of the Constitution, and being eligible, be re-elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Admiral Robert J. Natter abstaining) recommend that you vote in favour of this resolution.

Election of Laura Ruffles

To consider and, if in favour, pass the following resolution as an ordinary resolution:

- 4 'That Laura Ruffles, an Executive Director, who retires from a casual vacancy in accordance with Listing Rule 14.4 and rule 19.2(b) of the Constitution, and being eligible, be elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Laura Ruffles abstaining) recommend that you vote in favour of this resolution.

Special business

Ratification and approval of previous issue of shares to employees of the Company

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

- 5 'That for the purposes of Listing Rule 7.4 and for all other purposes, approval be given for the previous issue of 78,185 shares at a nil issue price to employees of the Company as detailed in the Explanatory Memorandum.'

The Directors recommend that you vote in favour of this resolution.

Ratification and approval of previous issue of shares to Montrose Travel vendors

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

- 6 'That for the purposes of Listing Rule 7.4 and for all other purposes, approval be given for the previous issue of 880,360 shares at an issue price of \$10.85 per share to vendors of Montrose Travel as detailed in the Explanatory Memorandum.'

The Directors recommend that you vote in favour of this resolution.

Ratification and approval of previous issue of shares to Travizon Travel vendors

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

- 7 'That for the purposes of Listing Rule 7.4 and for all other purposes, approval be given for the previous issue of 1,236,458 shares at an issue price of \$11.00 per share to the vendors of Travizon Travel as detailed in the Explanatory Memorandum.'

The Directors recommend that you vote in favour of this resolution.

Ratification and approval of previous issue of shares to employees of the Company

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

- 8 'That for the purposes of Listing Rule 7.4 and for all other purposes, approval be given for the previous issue of 204,216 shares at a nil issue price to employees of the Company as detailed in the Explanatory Memorandum.'

The Directors recommend that you vote in favour of this resolution.

Approval of Share Appreciation Rights Plan

To consider and, if in favour, to pass the following ordinary resolution:

- 9 'That the issue of securities in the Company under the CTM share appreciation rights plan (**SARP**) be approved for the purposes of Listing Rule 7.2, exception 9.'

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this resolution.

Increase in Directors' Fee Pool

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

- 10 'That in accordance with Listing Rule 10.17 and rule 19.5 of the Company's Constitution, the maximum aggregate remuneration payable out of the funds of the Company to non-executive Directors of the Company for their services as Directors, including their service on a committee of Directors, be increased by \$100,000 from \$600,000 to a maximum sum of \$700,000 per annum to be split between the non-executive Directors as they determine.'

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this resolution.

Issue of share appreciation rights to Ms Laura Ruffles

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

- 11 'That, for the purposes of Listing Rule 10.14, section 208(1)(a) of the Corporations Act, and for all other purposes, the issue by the Company of 200,000 share appreciation rights to Executive Director, Ms Laura Ruffles, under the Company's Share Appreciation Rights Plan on the terms set out in the Explanatory Statement, be approved'.

The Directors (with Laura Ruffles abstaining) recommend that you vote in favour of this resolution.

Renewal of proportional takeover approval provisions

To consider and, if in favour, to pass the following resolution as a special resolution:

- 12 'That the proportional takeover approval provisions contained in rule 15 of the Constitution be granted effect for a further three years, effective on the day on which this resolution is passed.'

The Directors recommend that you vote in favour of this resolution.

Dated: 9 September 2016

By order of the Board



Brooke Connell
Company Secretary

Voting exclusion statement

Corporations Act

Resolution 1 – The Company will disregard votes cast by a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a closely related party of such a member, in contravention of section 250R or 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

Resolutions 5, 8, 9, 10 and 11 – The Company will disregard votes cast by Key Management Personnel or their closely related parties in contravention of section 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

Listing Rules

In accordance with Listing Rule 14.11, the Company will disregard votes cast:

Resolution 5: Ratification and approval of previous issue of shares to employees of the Company	A person who participated in the issue and their associates
Resolution 6: Ratification and approval of previous issue of Shares to Montrose Travel vendors	A person who participated in the issue and their associates
Resolution 7: Ratification and approval of previous issue of Shares to Travizon Travel vendors	A person who participated in the issue and their associates
Resolution 8: Ratification and approval of previous issue of shares to employees of the Company	A person who participated in the issue and their associates
Resolution 9: Approval of Share Appreciation Rights Plan	Each Director and their associates, except a Director who is not eligible to participate in any employee incentive scheme in relation to the entity

Resolution 10: Increase in Directors' Fee Pool	All Directors (or their nominees) and their associates
Resolution 11: Approval for grant of share appreciation rights to Ms Laura Ruffles	Ms Laura Ruffles and any person associated with Ms Laura Ruffles.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Notes

- (a) Subject to the Corporations Act, including sections 250R and 250BD, a Shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (b) The proxy need not be a Shareholder of the Company. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (c) If you wish to appoint a proxy and are entitled to do so, then complete and return the **attached** proxy form.
- (d) A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- (e) The Company has determined under regulation 7.11.37 Corporations Regulations that for the purpose of voting at the meeting or any adjourned meeting, securities are taken to be held by those persons recorded in the Company's register of Shareholders as at 7.00pm (Sydney time) on Tuesday, 25 October 2016.
- (f) If you have any queries on how to cast your votes then call the Company Secretary on 07 3210 3307 during business hours.

Voting entitlement and admission to meeting

For the purpose of determining entitlement to attend and vote and voting rights at the AGM, Shares shall be taken to be held by persons who are registered as Shareholders as at 7.00pm (Sydney time) on Tuesday, 25 October 2016. Transactions registered after that time will be disregarded in determining entitlements to attend and vote.

Voting by Proxy

If you are a Shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the AGM.

A proxy need not be a Shareholder of the Company. A Shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the Shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the Shareholder's votes.

To be effective, the proxy must be received at the share registry of the Company no later than 11.00am (Sydney time) on Tuesday, 25 October 2016 (48 hours before the commencement of the meeting). Proxies must be received before that time by one of the following methods:

Online:	Visit www.investorvote.com.au and quote the 6 digit control number found on the front of your proxy form. Intermediary Online subscribers (Custodians) can lodge a proxy online by visiting www.intermediaryonline.com .
By post:	GPO Box 242, Melbourne Victoria 3001
By facsimile:	1800 783 447 (within Australia) or + 61 9473 2555 (outside Australia)

To be valid, a proxy must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Voting by Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Share Registry no later than 11.00am (Sydney time) on Tuesday, 25 October 2016.

Corporate representatives

A body corporate which is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the company's representative.

Explanatory Memorandum

Corporate Travel Management Limited ACN 131 207 611

This Explanatory Memorandum accompanies the notice of Annual General Meeting of the Company to be held at the offices of McCullough Robertson Lawyers at Level 32, MLC Centre, 19 Martin Place, Sydney, New South Wales 2000 on Thursday, 27 October 2016 at 11.00am (Sydney time).

The Explanatory Memorandum has been prepared to assist Shareholders in determining how to vote on the resolutions set out in the Notice of Meeting and is intended to be read in conjunction with the Notice of Meeting.

Financial statements and reports

- 1 The *Corporations Act 2001* (Cth) (**Corporations Act**) requires that the report of the Directors, the auditor's report and the financial report be laid before the Annual General Meeting.
- 2 Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the financial statements and reports.
- 3 Shareholders will be given reasonable opportunity at the meeting to raise questions and make comments on these reports.
- 4 In addition to asking questions at the meeting, Shareholders may address written questions to the chairman about the management of the Company or to the Company's auditor, PricewaterhouseCoopers, if the question is relevant to:
 - (a) the content of the auditor's report; or
 - (b) the conduct of its audit of the annual financial report to be considered at the meeting.

Note: Under section 250PA(1) of the Corporations Act, a Shareholder must submit the question to the Company no later than the fifth business day before the day on which the AGM is held.

- 5 Written questions for the auditor must be delivered by 5.00pm on Thursday, 20 October 2016. Please send any written questions for PricewaterhouseCoopers to:

The Company Secretary
Corporate Travel Management Limited
Level 24
307 Queen Street
BRISBANE QLD 4000

Resolution 1: Remuneration Report

- 6 The Remuneration Report is contained in the Annual Report, which is available on the CTM website at <http://www.travelctm.com/>.
- 7 The Corporations Act requires that the Remuneration Report be put to the vote of Shareholders for adoption.
- 8 The resolution of Shareholders is advisory only and not binding on the Company. The Board will take the discussion at the meeting into consideration when determining CTM's remuneration policy and appropriately respond to any concerns Shareholders may raise in relation to remuneration issues.
- 9 The Remuneration Report:
- (a) reports and explains the remuneration arrangements in place for executive Directors, senior management and non-executive Directors;
 - (b) explains Board policies in relation to the nature and value of remuneration paid to non-executive Directors, executives and senior managers within CTM; and
 - (c) discusses the relationship between the Board policies and CTM performance.
- 10 The Chairman will give Shareholders a reasonable opportunity to ask questions about, or to make comments on, the Remuneration Report.

Directors' Recommendation

- 11 As the resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with the spirit of section 250R(4) of the Corporations Act, makes no recommendation regarding this resolution.

Re-election and election of Directors

- 12 Rule 19.3 of the Constitution requires that, at every annual general meeting, one-third of the Directors (excluding the Managing Director) must retire from office and stand for re-election. Where there are four Directors (excluding the Managing Director), at least two must retire from office at each annual general meeting.
- 13 The Directors to retire under rule 19.3 are those who have been in office the longest since being appointed. As between Directors who were elected on the same day, the Directors to retire are (in default of agreement between them) determined by ballot.
- 14 The Board has determined that the following Directors will retire from office under rule 19.3 of the Constitution and stand for re-election:
- (a) Mr Tony Bellas; and
 - (b) Admiral Robert J. Natter.
- 15 Rule 19.2 of the Constitution empowers the Directors to appoint an individual as a Director of the Company, who joins the existing Directors. A Director appointed under rule 19.2 holds office until the conclusion of the next annual general meeting following their appointment.
- 16 On 1 December 2015, Laura Ruffles was appointed to the Board as an Executive Director. Laura Ruffles, therefore stands for election to office under rule 19.2(b) of the Constitution.

Resolution 2: Re-election of Mr Tony Bellas, MBA, BEcon, DipEd, FAIM, FAICD, FCPA, Non-Executive Director and Chairman

- 17 Mr Tony Bellas retires from office under rule 19.3 of the Constitution and stands for re-election to the Board.
- 18 Mr Bellas has more than 30 years' experience in both the government and private sectors. Mr Bellas has previously held positions as CEO of Ergon Energy, CS Energy and Seymour Group. Prior to this he was Queensland's Deputy Under Treasurer, with oversight of a number of Queensland Treasury operations including Fiscal Strategy, Office of Government Owned Corporations and Office of State Revenue.
- 19 In 1999, whilst at Queensland Treasury, Mr Bellas led the teams responsible for the floating of the Queensland TAB and the Queensland Government's interest in the Bank of Queensland. Mr Bellas was also a member of the team that oversaw the merger in 1996 of the Suncorp and QIDC entities into the publicly listed company, Metway Bank, creating the new group Suncorp Metway. His team then managed the staged sell-down of the Queensland Government's holding in Suncorp Metway. Mr Bellas is currently a non-executive director of ERM Power Limited, Shine Corporate Limited and Graphitecorp Ltd. Mr Bellas was also a non-executive director of Watpac Limited from January 2008 to October 2010.
- 20 Special responsibilities:
- (a) Chairman of the Board;
 - (b) Audit, Risk Management and Remuneration Committee member; and
 - (c) Chairman of the Nominations Committee.

Directors' Recommendation

- 21 The Directors (with Mr Tony Bellas abstaining), recommend the re-appointment of Mr Bellas to the Board.

Resolution 3: Re-election of Admiral Robert J. Natter, U.S. Navy (Ret), Independent Non-Executive Director

- 22 Admiral Robert J. Natter retires from office under rule 19.3 of the Constitution and stands for re-election to the Board.
- 23 Admiral Natter has been actively engaged with the Company as a consultant since September 2013, and brings with him a wealth of knowledge and experience in the North American market.
- 24 Retiring from active military service a decade ago, Admiral Natter has since served on a number of USA boards and advisory panels in both the corporate and government fields.
- 25 Admiral Natter is currently Chairman of the U.S. Naval Academy Alumni Association, serves on the Board of BAE Systems Inc. (the U.S. based subsidiary of BAE Systems plc) and on the Board of Allied Universal (a privately held U.S. based security company with 140,000 employees). He has previously served on the Board of the National U.S. Navy Seal Museum and was Chairman of G4S Government Solutions Inc.
- 26 In his navy career, Admiral Natter served as the Commander in Chief of the U.S. Atlantic Fleet, Commander of the U.S. Seventh Fleet operating throughout Asia and the Indian Ocean and as the First Commander of U.S. Fleet Forces, overseeing all Continental U.S. Navy bases, facilities and training operations.

Directors' Recommendation

- 27 The Directors (with Admiral Robert J. Natter abstaining), recommend the re-appointment of Admiral Natter to the Board.

Resolution 4: Election of Laura Ruffles, MBA, Executive Director, CEO AU/NZ, Global COO

- 28 Laura Ruffles retires from office under rule 19.2(b) of the Constitution and stands for election to the Board.
- 29 Laura Ruffles is CTM's Chief Executive Officer (Australia and New Zealand) and Global Chief Operating Officer and was appointed an Executive Director in recognition of her leadership contribution in late 2015.
- 30 Ms Ruffles joined CTM in 2010 and has significant local, regional and global industry experience and in a career of more than 20 years, has led teams across strategy, operations, product development, relationship management, sales, business planning and technology.
- 31 Prior to joining CTM, Ms Ruffles was a Director at American Express where she was responsible for managing the small and medium enterprise business function.
- 32 Ms Ruffles is also an Alternate Director of the Australia Federation of Travel Agents.

Directors' Recommendation

- 33 The Directors (with Laura Ruffles abstaining), recommend the re-appointment of Laura Ruffles to the Board.

Special business

Resolutions 5, 6, 7 and 8: Ratification and approval of previous issue of Shares

- 34 The purpose of Resolutions 5, 6, 7 and 8 are for Shareholders to approve, pursuant to Listing Rule 7.4, previous allotments and share issues, which will otherwise count toward the 15% limit under Listing Rule 7.1.
- 35 Listing Rule 7.1 provides that (subject to certain exceptions, none of which are relevant here) prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of the shares on issue at the commencement of that 12 month period.
- 36 The aggregate allotments and issue of securities detailed in the resolutions below will not have exceeded the 15% threshold. However, Listing Rule 7.4 provides that where a company subsequently approves an issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing that company's 15% capacity and enabling it to issue further securities up to that limit.
- 37 The resolutions propose the approval of the previous allotments and issue of securities for the purpose of satisfying the requirements of Listing Rule 7.4.

Resolution 5: Ratification and approval of previous issue of Shares to employees of the Company

- 38 In compliance with the information requirements of Listing Rule 7.5, members are advised of the following particulars in relation to the allotment and issue:

Date of issue	13 November 2015
Number of Shares issued	78,185 fully paid ordinary shares
Issue price	NIL
Terms of issue	The shares were issued as fully paid ordinary shares upon the vesting of share appreciation rights granted under the CTM Share Appreciation Rights Plan, ranking equally with all other ordinary shares and having identical rights to existing ordinary shares quoted on ASX.
Persons to whom Shares were issued	Employees of the Company
Intended use of funds	N/A

Directors' recommendation

- 39 The Directors recommend that you vote in favour of this resolution.

Resolution 6: Ratification and approval of previous issue of Shares to Montrose Travel vendors

- 40 In compliance with the information requirements of Listing Rule 7.5, members are advised of the following particulars in relation to the allotment and issue:

Date of issue	4 January 2016
Number of Shares issued	880,360 fully paid ordinary shares
Issue price	\$10.85
Terms of issue	The shares were issued as fully paid ordinary shares, ranking equally with all other ordinary shares and having identical rights to existing ordinary shares quoted on ASX.
Persons to whom Shares were issued	Vendors of Montrose Travel
Intended use of funds	Not applicable - the Shares were issued as consideration for the acquisition of USTravel (the terms of which were set out in the Share Sale Agreement and referenced in the ASX announcement dated 18 December 2015)

Directors' recommendation

- 41 The Directors recommend that you vote in favour of this resolution.

Resolution 7: Ratification and approval of previous issue of Shares to Travizon Travel vendors

42 In compliance with the information requirements of Listing Rule 7.5, members are advised of the following particulars in relation to the allotment and issue:

Date of issue	1 July 2016
Number of Shares issued	1,236,458 fully paid ordinary shares
Issue price	\$11.00
Terms of issue	Subject to a 12-month escrow period, the shares were issued as fully paid ordinary shares, ranking equally with all other ordinary shares and having identical rights to existing ordinary shares quoted on ASX.
Persons to whom Shares were issued	Vendors of Travizon Travel
Intended use of funds	Not applicable - the Shares were issued as consideration for the acquisition of Travizon Travel (the terms of which were set out in the Share Sale Agreement and referenced in the ASX announcement dated 20 April 2016)

Directors' recommendation

43 The Directors recommend that you vote in favour of this resolution.

Resolution 8: Ratification and approval of previous issue of Shares to employees of the Company

44 In compliance with the information requirements of Listing Rule 7.5, members are advised of the following particulars in relation to the allotment and issue:

Date of issue	2 September 2016
Number of Shares issued	204,216 fully paid ordinary shares
Issue price	Nil
Terms of issue	The shares were issued as fully paid ordinary shares upon the vesting of share appreciation rights granted under the CTM Share Appreciation Rights Plan, ranking equally with all other ordinary shares and having identical rights to existing ordinary shares quoted on ASX.
Persons to whom Shares were issued	Employees of the Company
Intended use of funds	N/A

Directors' recommendation

45 The Directors recommend that you vote in favour of this resolution.

Approval of Share Appreciation Rights Plan

Resolution 9: Approval of Share Appreciation Rights Plan

- 46 Listing Rule 7.1 prohibits the Company issuing equity securities which, in aggregate, exceed 15% of the fully paid ordinary share capital of the Company in any 12 month period.
- 47 Listing Rule 7.2 exception 9 provides that Listing Rule 7.1 does not apply to the issue of securities by the Company under an employee incentive scheme if the scheme was established before the entity listed and a summary of the terms were included in the prospectus, or if the scheme has been approved by shareholders within three years from the date of issue of the relevant securities.
- 48 The Board believes that the grant of rights under the CTM share appreciation rights plan (**SARP**) serves a number of positive purposes including acting as a retention tool for senior employees of the Company and focusing on Shareholder value generation.
- 49 Shareholders of CTM approved the issue of Shares under the SARP for the purposes of Listing Rule 7.2, exception 9 at the 2015 AGM. CTM is seeking approval from Shareholders again this year that the issue of Shares under the SARP be exempt from its 15% capacity under Listing Rule 7.1, in accordance with Listing Rule 7.2 exception 9. A summary of the key terms of the SARP is provided below. Since the SARP was last approved at the Annual General Meeting of the Company on 27 October 2015, a total of 282,401 fully paid ordinary shares have been issued upon the vesting of Share Appreciation Rights.

Eligibility criteria	Employees (whether full-time or part-time) and salaried directors of any member of the CTM Group are entitled to participate in the SARP.
Share Appreciation Rights	<p>A share appreciation right is a right to receive an award from the Company which may be satisfied by the issue and/or transfer of Shares (equity settlement), cash payment (cash settlement), or a combination of both, subject to the satisfaction and/or waiver of vesting conditions (Share Appreciation Right).</p> <p>The award is calculated by reference to an increase in the price of a Share from a base price determined by the Board prior to the grant of the Share Appreciation Right and the volume-weighted average price per Share traded on the ASX over the 30 trading days immediately preceding the time that the performance hurdles and/or other conditions are satisfied and/or waived. Share Appreciation Rights do not entitle the holder to notice of, or to vote or attend at, Shareholders’ meetings, or to receive any dividends declared by the Company.</p>
Purpose	<p>The purpose of the SARP is to:</p> <ul style="list-style-type: none"> (a) assist in the reward, retention and motivation of eligible employees; (b) link the reward of eligible employees to Shareholder value creation; and (c) align the interests of eligible employees with Shareholders by providing an opportunity for eligible employees to receive an equity interest in the Company in the form of Share Appreciation Rights.
Invitation	The Board may from time to time determine that an eligible employee may participate in the SARP by issuing a written invitation, inviting the eligible employee to apply for the grant of a specified number of Share Appreciation Rights. The invitation may be made on the terms determined by the Board, including as to:

	<ul style="list-style-type: none"> (a) the number of Share Appreciation Rights for which the eligible employee may apply; (b) grant date; (c) the amount payable (if any) for the grant of the Share Appreciation Right or how such amount is calculated; (d) the vesting conditions and/or performance hurdles and/or other conditions (if any); (e) whether the settlement of Share Appreciation Rights will be by delivery of Shares, cash or a combination of both to the participant; and (f) any disposal restrictions attaching to the Shares issued in satisfaction of vested Share Appreciation Rights.
Quotation	The Company will not apply for official quotation of Share Appreciation Rights on the ASX, unless the Board determines otherwise.
Vesting	Vesting of Share Appreciation Rights is subject to any vesting conditions determined by the Board and the issue of a vesting notice by the Company. For Share Appreciation Rights granted for the financial year ending 30 June 2017, vesting is conditional upon the Directors determining that the Company has achieved 10% earnings per share growth per annum (compound) over a three year vesting period. If 90% of the target is achieved, 75% of the Share Appreciation Rights vest. If 80% of the target is achieved, 50% of the Share Appreciation Rights vest. Subject to the SARP, if less than 80% of the target is achieved, no Share Appreciation Rights vest.
Settlement	Vested Share Appreciation Rights may be settled by equity settlement, cash settlement or a combination of equity settlement and cash settlement, as provided in the invitation or determined by the Board.
Shares	All Shares issued or transferred to a participant upon settlement will rank equally in all respects with other Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Shares.
Transferability and restrictions	Subject to the Board determining otherwise, or by operation of the law, Share Appreciation Rights are not generally transferrable. A participant is also prohibited from entering into an arrangement for the purpose of hedging its economic exposure to a Share Appreciation Right which has been granted.
Forfeiture	<p>Unless the Board determines otherwise unvested Share Appreciation Rights will be forfeited on the earlier of:</p> <ul style="list-style-type: none"> (a) a participant ceasing to be an eligible employee; (b) the Board determining that the participant has acted fraudulently or dishonestly, or wilfully breached his or her duties; (c) the Board determining that performance hurdles and/or vesting conditions and/or other conditions have not been met or cannot be met; (d) an insolvency event occurring in relation to a participant; and (e) the Share Appreciation Right expiring in accordance with the expiry date. <p>Forfeited Share Appreciation Rights will immediately lapse.</p>

<p>Change of control</p>	<p>If a change of control event occurs, which includes any of the following events:</p> <ul style="list-style-type: none"> (a) a change in Control of the Company; (b) approval by Shareholders of a compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company of its amalgamation with any other body corporate or bodies corporate (other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming effective, result in any person (either along or together with its associates) owning more than 50 percent of the issued capital in the Company; (c) where a person becomes the legal or beneficial owner of, or has a relevant interest in more than 50 percent of the issued capital of the Company; and (d) where a takeover bid is made to acquire more than 50 percent of the issued capital of the Company (or such lesser number of Shares that when combined with the Shares that the bidder (together with its associates) already owns will amount to more than 50 percent of the issued capital in the Company) and the takeover bid becomes unconditional and the bidder (together with its associates) has a relevant interest in more than 50 percent of the issued capital in the Company, <p>the Board may determine the manner in which the Share Appreciation Rights will be dealt with, including, without limitation, in a manner that allows the participant to participate in a benefit arising from or in connection with the change of control event.</p>
<p>Adjustments</p>	<p>Subject to the Listing Rules and applicable law, if the Company makes any new issue of securities or alterations to its capital by way of a rights issue, bonus issue or other distribution of capital, reduction of capital or reconstruction of capital, the Board may in its discretion make adjustments to a participant's Share Appreciation Rights on any basis it sees fit to minimise any advantage or disadvantage accruing to the participant as a result of such corporate actions or alterations to capital.</p>
<p>Trust</p>	<p>The Board may use an employee share trust or other mechanism for the purpose of holding Shares before or after the exercise of a Share Appreciation Right or delivering any Shares on exercise of a Share Appreciation Right under the SARP on such terms and conditions as determined by the Board.</p>
<p>SARP limit</p>	<p>The Board must not make an invitation under the SARP, grant any Share Appreciation Rights or issue any Shares on the exercise of Share Appreciation Right, if the sum of:</p> <ul style="list-style-type: none"> (a) the maximum number of Shares which would be issued if all outstanding Share Appreciation Rights (including any Share Appreciation Rights which may be granted upon the acceptance of any outstanding offers) were exercised; and (b) the number of Shares issued during the previous five years under the SARP or any other employee share scheme extended to eligible employees, <p>but excluding any Share Appreciation Rights granted or Shares issued by way of or a result of certain excluded offers under section 708 of the Corporations Act, would exceed five percent of the total number of Shares on issue at the time.</p>

Administration of the plan	The SARP will be administered by the Board. Any powers or discretions conferred on the Board by the SARP rules may be exercised by the Board in its absolute discretion. The Board may delegate its powers or discretions to other person on the terms as the Board sees fit.
Amendments to SARP	<p>Subject to the Listing Rules, the Board may at any time amend the SARP and determine that any such amendments be given retrospective effect. However, no such amendment may be made if the amendment materially reduces the rights of any holder of Share Appreciation Rights issued to them prior to the date of the amendment, other than an amendment that is introduced primarily:</p> <ul style="list-style-type: none"> (a) for the purpose of complying with or conforming to present or future legislation governing or regulating the SARP or like plans; (b) to correct any manifest error or mistake; (c) to allow the implementation of a trust arrangement in relation to the holding of Shares issued under the SARP; (d) for the purpose of complying with applicable laws; and/or (e) to take into consideration possible adverse taxation implications in respect of the SARP including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation, <p>unless otherwise agreed to in writing by all holders of Share Appreciation Rights.</p>

Directors' recommendation

50 The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this resolution.

Increase in Directors' Fee Pool

Resolution 10: Increase in Directors' Fee Pool

51 Total fees paid to non-executive Directors of the Company are limited to a maximum amount set by Shareholders. The present limit of \$600,000 per annum was agreed at the Company's 2013 annual general meeting. Shareholder approval is sought for an increase of that limit by \$100,000 to \$700,000 (inclusive of superannuation contributions).

52 The Company has grown since the existing directors' fee pool was set, through organic growth and domestic and international acquisitions.

53 The increased directors' fee pool will ensure the Company is well placed to appropriately remunerate non-executive Directors of the Company.

54 In summary, the proposed increase aggregate amount will:

- (a) provide scope for additional Directors to join the Board at appropriate times;
- (b) allow greater flexibility with respect to individual Director's remuneration;
- (c) increase the potential for the Board to be able to both retain and attract further appropriately qualified directors, by increasing the benchmark remuneration of the Directors;

- (d) in the opinion of the Board, see the aggregate available remuneration level of the Company become consistent with that available for similarly sized companies; and
- (e) be an appropriate quantum in recognition of the increased responsibility and liability the Directors have and continue to attract as members of the Board of a continuous disclosing entity.

- 55 The Directors are not currently contemplating increasing non-executive Director fees for existing non-executive Directors during the financial year ending 30 June 2017.
- 56 For the purposes of Listing Rule 10.17, no securities have been issued to non-executive Directors under Listing Rule 10.11 or 10.14 with the approval of the Company's Shareholders in the last 3 years.

Directors' recommendation

- 57 The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this resolution.

Issue of share appreciation rights to Ms Laura Ruffles

Resolution 11: Issue of share appreciation rights to Ms Laura Ruffles

- 58 Share appreciation rights are rights to receive an award from the Company which may be satisfied by the issue and/or transfer of Shares (equity settlement), cash payment (cash settlement), or a combination of both, as determined by the Board, subject to the satisfaction and/or waiver of vesting conditions (Share Appreciation Right).
- 59 The award is calculated by reference to an increase in the price of a Share from a base price determined by the Board prior to the grant of the Share Appreciation Right (which, in this instance, is proposed to be \$15.33) and the volume-weighted average price per Share traded on the ASX over the 30 trading days immediately preceding the time that the vesting conditions are satisfied and/or waived.
- 60 Subject to the approval of Shareholders, the Company proposes to grant a maximum amount of 200,000 Share Appreciation Rights to Executive Director, Ms Laura Ruffles. The price for each Share that may be issued upon vesting of a Share Appreciation Right is nil.
- 61 The objective of the proposed grant of Share Appreciation Rights to Ms Ruffles is primarily to link the reward of Share Appreciation Rights to Shareholder value creation, and align her interests with those of Shareholders to encourage the long-term sustainable growth of the Company.
- 62 The Share Appreciation Rights shall be issued under and subject to the terms of the SARP.
- 63 Listing Rule 10.14 provides that a company must not issue equity securities to a director of the company under an employee incentive scheme unless the issue has been approved by holders of ordinary securities. Once approval is obtained pursuant to Listing Rule 10.14, the Company is entitled to rely on Listing Rule 10.12, Exception 4 as an exception to any requirement that may otherwise apply requiring shareholder approval under Listing Rule 10.11. Similarly, approval will not be required under Listing Rule 7.1.

64 The key terms of the Share Appreciation Rights are set out in the table below:

Number	200,000
Vesting Date(s)	After the release of results for the financial year ending 30 June 2019, subject to the Directors determining that the applicable vesting conditions have been met.
Vesting Conditions	Vesting is conditional upon the Directors determining that the Company has achieved 10% earnings per share growth per annum (compound) over a three year vesting period. If 90% of the target is achieved, 75% of the Share Appreciation Rights vest. If 80% of the target is achieved, 50% of the Share Appreciation Rights vest. Subject to the SARP, if less than 80% of the target is achieved, no Share Appreciation Rights vest.
Other Conditions	Other key terms of the SARP are detailed in the Explanatory Memorandum in relation to Resolution 9.

Other general terms of the Share Appreciation Rights

- 65 It is intended that the Share Appreciation Rights will be issued within 5 days after the Annual General Meeting, but in any event will be issued no later than 12 months after the meeting.
- 66 For the purpose of Listing Rule 10.15.4A, Ms Ruffles and Mr Jamie Pherous, being salaried directors, are the only Directors entitled to participate in the SARP.
- 67 For the purpose of Listing Rule 10.15.4, Ms Ruffles has previously received no Share Appreciation Rights under the SARP since the plan was last approved at the Annual General Meeting of the Company on 27 October 2015. However, a total of 75,000 Share Appreciation Rights granted to Ms. Ruffles in 2013 vested in August 2016 and Ms. Ruffles was issued with 51,054 fully paid ordinary shares upon vesting of those Share Appreciation Rights.
- 68 There are no loan arrangements with Ms Ruffles in relation to the acquisition of the Share Appreciation Rights.
- 69 The other general terms for the Share Appreciation Rights are outlined in resolution 9 above.

General Information

- 70 Consistent with the accounting standards, the Company discloses the following information concerning the value of the Share Appreciation Rights to be issued. A fair value for the Share Appreciation Rights to be issued has been calculated using the Black Scholes methodology and based on a number of assumptions, set out below, with an adjustment to the expected life of the Share Appreciation Rights to take account of limitations on transferability. This methodology is commonly used for valuing Share Appreciation Rights and is one of the permitted methodologies under ASIC Regulatory Guide 76. The Board believes this valuation model to be appropriate to the circumstances and has not used any other valuation or other models in proposing the terms of the Share Appreciation Rights.
- 71 The Board draws shareholders' attention to the fact the stated valuation does not constitute and should not be taken as audited financial information. The reportable value of the employee benefit expense in subsequent financial periods may vary due to a range of timing and other factors. In particular, the figures were calculated effective as at 8 September, 2016.

Valuation for Share Appreciation Rights to be issued to Ms Ruffles

Underlying price	\$14.20 (share price as at 1 July 2016)
Volatility	25%
Dividend Yield (estimate)	3%
Expiry Date	01/07/2019
Vesting Date	After the release of results for the financial year ending 30 June 2019, subject to the Directors determining that the applicable vesting conditions have been met.
Exercise (strike) price	\$15.33
Risk free rate	1.52%
Value - per right	\$1.62
Number of Share Appreciation Rights issued	200,000
Employee benefit expense	\$324,000 (to be amortised over the applicable three year performance period)

Remuneration

- 72 Excluding the value of the proposed Share Appreciation Rights, Ms Ruffles currently receives the following emoluments for her position as Executive Director, CEO Australia and New Zealand and Chief Operating Officer (Global). The amount stated is per annum comprising salary, superannuation contributions and known short and long-term incentive payments for the 2016/2017 financial year:
- (a) Fixed remuneration of \$591,721;
 - (b) Short-term incentive of \$328,500. This short-term incentive is expected to be paid in the 2016/2017 financial year, but relates to performance for the 2015/2016 financial year; and
 - (c) Long-term incentive of \$799,500. This amount is calculated based upon the issue of 51,054 Shares with a value of \$15.66 following the vesting of 75,000 Share Appreciation Rights. The base price, at the time the Share Appreciation Rights were granted in 2013, was \$5.00. While the Shares are deemed to have a value of \$15.66, they are issued at nil cost to the Company.

Financial Benefit – Details and reasons

- 73 Approval has been sought for the giving of a financial benefit to Ms Ruffles, as a related party, under section 208 of the Corporations Act. Section 229(3)(e) of the Corporations Act provides that the 'issuing of securities or granting of an option to a related party' (which includes a director of an entity) is an example of the giving of a financial benefit.
- 74 The amount, terms and value (subject to the stated assumptions) of the Share Appreciation Rights are set out above.

- 75 The reasons for giving this financial benefit are:
- (a) the Company wishes to maximise the use of its cash resources towards other strategic initiatives and equity based incentives;
 - (b) the total quantum of Share Appreciation Rights to be issued is reasonable in number, and will act as an incentive for future growth of the business;
 - (c) Share Appreciation Rights are designed to incentivise employees, and in this case, to incentivise the Executive Director, CEO (Australia and New Zealand) and Chief Operating Officer (Global) of the Company. Share Appreciation Rights also act to provide a retention incentive for key employees, such as Ms Ruffles, to facilitate long-term growth;
 - (d) equity based incentives assist in the alignment of Shareholders and Directors' interests; and
 - (e) the Company believes the associated expense is limited and the nature of the Share Appreciation Rights package proposed is commensurate with market practice.
- 76 On this basis the Company believes the giving of the financial benefit, as constituted by the issue of the Share Appreciation Rights to Ms Ruffles is in the best interests of the Company and its Shareholders.

Existing interests and the dilutionary effect on other Shareholders' interests

- 77 The effect that the vesting of the Share Appreciation Rights will have on the interests of Ms Ruffles relative to other Shareholders' interests is set out in the following table. The table assumes no further issues of shares in, or reconstruction of the capital of the Company during the time between issue and vesting of the Share Appreciation Rights.

Details (as at the date of this Notice of Meeting)	
The total number of shares on issue in the capital of the Company	99,519,478
Shares currently held by Ms Ruffles (including indirect interests)	177,977
% of shares currently held by Ms Ruffles	0.18%
Share Appreciation Rights held by Ms Ruffles prior to Annual General Meeting (including indirect interests)	200,000
Share Appreciation Rights to be issued under this resolution to Ms Ruffles following Annual General Meeting	200,000
Shares that will be held following the vesting of all Share Appreciation Rights held by Ms Ruffles	The number of shares to be issued, if any, is dependent upon the growth in the share price over the performance period.

% of Shares that would be held by Ms Ruffles assuming no other Share Appreciation Rights held by other parties vested

At least 0.18%, but the total percent of shares, will be dependent upon the growth in the share price over the performance period.

Directors' recommendation

- 78 The Directors abstain, in the interest of good corporate governance, from making a recommendation in relation to this resolution.

Renewal of proportional takeover bid provisions

Resolution 12: Renewal of proportional takeover bid provisions

- 79 Rule 15 of the Constitution includes proportional takeover approval provisions which enable the Company to refuse to register securities acquired under a proportional takeover bid unless a resolution is passed by shareholders in general meeting approving the offer. Under the Corporations Act, proportional takeover provisions expire after three years from adoption or renewal and may then be renewed. The provisions were last renewed at the Company's annual general meeting on 29 October 2014.
- 80 The Company is seeking shareholder approval to renew these provisions under the Corporations Act. The proportional takeover bid provisions are identical to those renewed by Shareholders on 29 October 2014. The Corporations Act requires the Company to provide Shareholders with an explanation of the proportional takeover approval provisions as set out below.

What is a proportional takeover bid

- 81 A proportional takeover bid is a takeover offer sent to Shareholders but only for a specified portion of each shareholder's securities. Accordingly, if a Shareholder accepts in full the offer under a proportional takeover bid, it will dispose of the specified portion of its securities in the Company and retain the balance of the securities.

Effect of renewal

- 82 If renewed, under existing rule 15 and if a proportional takeover offer is made to Shareholders, the Board is required to convene a meeting of Shareholders to vote on a resolution to approve the proportional takeover. That meeting must be held at least 15 days before the offer under the proportional takeover bid closes.
- 83 The resolution is taken to have been passed if a majority of securities voted at the meeting, excluding the securities of the bidder and its associates, vote in favour of the resolution. If no resolution is voted on at least 15 days before the close of the offer, the resolution is deemed to have been passed. Where the resolution approving the offer is passed or deemed to have been passed, transfers of securities resulting from accepting the offer are registered provided they otherwise comply with the Corporations Act, the Listing Rules, the ASIC Operating Rules and the Constitution. If the resolution is rejected then, under the Corporations Act, the offer is deemed to be withdrawn.

Reasons for proposing the resolution

- 84 The Directors consider that Shareholders should have the opportunity to renew rule 15 in the Constitution. Without rule 15 a proportional takeover bid for the Company may enable effective control of the Company to be acquired without Shareholders having the opportunity to dispose of all of their securities to the bidder. Shareholders could be at risk of passing control to the bidder without payment of an adequate control premium for all their securities whilst leaving themselves as part of a minority interest in the Company.
- 85 Without rule 15, if there was a proportional takeover bid and Shareholders considered that control of the Company was likely to pass, Shareholders would be placed under pressure to accept the offer even if they did not want control of the Company to pass to the bidder. Renewing rule 15 of the Constitution will make this situation less likely by permitting Shareholders to decide whether a proportional takeover bid should be permitted to proceed.

No knowledge of present acquisition proposals

- 86 As at the date of this notice, no Director is aware of a proposal by any person to acquire or increase the extent of a substantial interest in the Company.

Potential advantages and disadvantages

- 87 The renewal of rule 15 will enable the Directors to formally ascertain the views of Shareholders about a proportional takeover bid. Without these provisions, the Directors are dependent upon their perception of the interests and views of Shareholders. Other than this advantage, the Directors consider that renewal of rule 15 has no potential advantages or potential disadvantages for them, as they remain free to make a recommendation on whether a proportional takeover offer should be accepted.
- 88 The Directors consider that renewing rule 15 benefits all Shareholders in that they will have an opportunity to consider a proportional takeover bid and then attend or be represented by proxy at a meeting of Shareholders called specifically to vote on the proposal. Accordingly, Shareholders are able to prevent a proportional takeover bid proceeding if there is sufficient support for the proposition that control of the Company should not be permitted to pass under the proportional takeover bid. Furthermore, knowing the view of Shareholders assists each individual shareholder to assess the likely outcome of the proportional takeover bid and whether to accept or reject that bid.
- 89 As to the possible disadvantages to Shareholders renewing rule 15, it may be argued that the proposal makes a proportional takeover bid more difficult and that proportional takeover bids will therefore be discouraged. This may reduce the opportunities which Shareholders may have to sell all or some of their securities at a premium to persons seeking control of the Company and may reduce any takeover speculation element in the Company's share price. Rule 15 may also be considered an additional restriction on the ability of individual Shareholders to deal freely on their securities.
- 90 The Directors consider that there are no other advantages and disadvantages for Directors and Shareholders which arose during the period during which the proportional takeover approval provisions have been in effect, other than those discussed in this section.
- 91 On balance, the Directors consider that the possible advantages outweigh the possible disadvantages so that the renewal of rule 15 is in the interest of Shareholders.

Directors' recommendation

- 92 The Directors recommend you vote in favour this resolution.

Glossary

Corporate Travel Management Limited ACN 131 207 611

Annual General Meeting or AGM	means the Company's annual general meeting the subject of this Notice of Meeting.
Annual Report	means the 2016 Annual Report of the Company.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ABN 98 008 624 691 or the securities market which it operates, as the context requires.
Board	means the board of directors of the Company.
Company or CTM	means Corporate Travel Management Limited ACN 131 207 611.
Constitution	means the constitution of the Company from time to time.
Control	has the meaning set out in section 50AA of the Corporations Act.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	means the <i>Corporations Regulations 2001</i> (Cth).
CTM Group	means the Company and any of its subsidiaries.
Directors	means the directors of the Company.
Explanatory Memorandum	means the explanatory memorandum attached to the Notice of Meeting.
Key Management Personnel	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rules	means the listing rules of ASX.
Notice of Meeting	means this notice of meeting and includes the Explanatory Memorandum.
Remuneration Report	means the section of the Directors' report for the 2016 financial year that is included under section 300A(1) Corporations Act.
SARP	means the CTM share appreciation rights plan.
Share Appreciation Right	means a right granted under the SARP.
Shares	means the existing fully paid ordinary shares in the Company.
Shareholder	means a person who is the registered holder of Shares.