



BOARD CHARTER

Release 3
Approved by the Board 3 April 2006
As amended on 26 March 2008
As amended on 1 October 2008

BOARD CHARTER

A. INTRODUCTION

Wotif.com Holdings Limited's (**WTF** or **Company**) Board is responsible for the overall corporate governance of WTF and its subsidiaries (collectively referred to as the **Wotif Group**). The Board recognises the need for the highest standards of behaviour and accountability. The Board has final responsibility for the management of the Company's business and affairs.

B. ROLE AND POWERS

The Board of WTF is responsible for:

- overseeing the Company including overseeing:
 - the Company's systems of internal control and accountability and the systems for monitoring compliance; and
 - identification and management of significant business risks;
- monitoring the Wotif Group's financial performance, including adopting annual budgets and approving the Wotif Group's financial statements;
- approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestments;
- input into and approving the Wotif Group's goals and strategic direction;
- reviewing and ratifying the Wotif Group's risk management system, internal compliance and control systems, codes of conduct and legal compliance;
- selecting and (where appropriate) removing the Managing Director and reviewing the performance of senior management; and
- ratifying the appointment and (where appropriate) removal of the Chief Financial Officer and the Company Secretary.

In performing these responsibilities, the Board should at all times:

- act in a manner designed to create and continue to build value for shareholders; and
- act in accordance with the law.

The Board's powers include the ability:

- to initiate and adopt corporate plans, commitments and actions;
- to initiate and adopt changes in accounting principles and practices;
- to provide advice and counsel to the Managing Director;
- to instruct and review the actions of any Board committee and of the Managing Director;
- to make recommendations to shareholders;
- to meet from time to time in the absence of management;

- to require the attendance of the Company's External Auditor either with or without management being present; and
- to act as to all other corporate matters not requiring shareholder approval.

The Board may delegate to its Committees, a Director or another person, authority to perform any of its functions or exercise any of its powers subject to the Board's ultimate responsibility for overseeing.

C. BOARD MEMBERSHIP

The Chairman of the Board is at all times to be an Independent Director¹ (see section D below).

The Board (and each individual Director) is entitled to seek independent professional advice at the Company's expense (subject to the reasonableness of the costs and Board consent) in the conduct of its duties for the Company.

It is considered that the composition of the WTF Board is such that it clearly separates the Board from the executive management of the Company and enshrines Board independence. The structure of the Board also provides the Company with the benefit of a diverse range of experience, qualifications and professional skills.

The Board's composition is subject to review in the following ways:

- The Company's Constitution provides that at every Annual General Meeting, one third of the Directors (excluding the Managing Director) are to retire from office. Each retiring Director under the Constitution is eligible for re-election.
- Each retiring Director's performance is reviewed by the Nomination and Remuneration Committee and following this review that Committee makes a recommendation to the Board as to whether the Board should support the re-nomination of that Director.
- The composition of the Board is reviewed annually by the Nomination and Remuneration Committee to ensure that it has available an appropriate mix of skills and experience to ensure the interests of shareholders are served.

D. INDEPENDENCE

The Board considers the following relationships in determining the independent status of Directors, namely whether a Director:

- is a substantial shareholder² of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- is employed, or has previously been employed, in an executive capacity by the Company or another group member, and there has not been a period of at least three years between ceasing such employment and serving on the Board;

¹ An "Independent Director" is a non-executive director who is not a member of management and who is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement.

² For this purpose a "substantial shareholder" is a person with a substantial holding as defined in section 9 of the Corporations Act.

- has within the last three years been a principal of a material professional adviser or a material consultant to the Company or another Group member, or an employee materially associated with the service provider;
- is a material supplier or customer of the Company or other Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has a material contractual relationship with the Company or another Group member other than as a Director of the Company.

A formalised procedure for notification of Directors' interests has been implemented by the Company. The Board will regularly assess the independence of each Director in light of the interests disclosed by them. If a Director ceases to qualify as an Independent Director³ under the terms of the above definition this will be immediately disclosed to the Australian Stock Exchange.

E. MEETINGS

The procedure for convening meetings of the Board and for the conduct of meetings is as specified in the Company's Constitution.

F. BOARD COMMITTEES

The Board may from time to time establish committees to assist it in carrying out its responsibilities. These committees shall perform the activities specified in written Charters adopted by the Board for the particular committee and such other matters as the Board may consider appropriate.

The Board has established the following committees:

- Audit and Risk Committee; and
- Nomination and Remuneration Committee.

G. ASSESSMENT

The Board shall, in such manner as it deems fit, undertake an annual performance evaluation of itself that:

- compares its performance with the requirements of this Charter; and
- sets its goals and objectives for the upcoming year.

In conducting this review the Board shall also consider the annual assessment of the effectiveness of the Board as conducted by the Nomination and Remuneration Committee.

³ An "Independent Director" is a non-executive director who is not a member of management and who is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgement.

H. CHARTER REVIEW

This Charter will be reviewed and if necessary updated annually by the Board.