

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To: Company Name/Scheme Smartgroup Corporation Ltd ("Smartgroup")
 ACN/ARSN ACN 126 266 831

1. Details of substantial holder

Name Smartgroup Corporation Ltd
 ACN/ARSN (if applicable) ACN 126 266 831

The holder became a substantial holder on 02 / 07 / 2014

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate had a relevant interest in on the date the substantial holder became a substantial holder are as follows:

Class of securities	Number of securities	Person's votes	Voting power
Ordinary Shares	32, 203,879	32, 203,879	31.74%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest	Class and number of securities
Smartgroup	Restriction on disposal of shares under voluntary escrow arrangements (see Annexure A) disclosed in Smartgroup's prospectus dated 16 June 2014 gives Smartgroup a technical 'relevant interest' in its own shares under section 608(1)(c) of the Corporations Act. However, Smartgroup has no right to acquire these shares or to control the voting rights attaching to these shares.	32, 203,879 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder	Class and number of securities
Smartgroup	Apinto Pty Ltd	Apinto Pty Ltd	626,831 ordinary shares
Smartgroup	Gentily Holdings 2 Pty Limited	Gentily Holdings 2 Pty Limited	562,500 ordinary shares
Smartgroup	Smart Packages Pty Ltd	Smart Packages Pty Ltd	30,438,345 ordinary shares
Smartgroup	Dave Adler-Demner	Dave Adler-Demner	176,870 ordinary shares
Smartgroup	Houda Lebbos	Houda Lebbos	133,111 ordinary shares
Smartgroup	Michael Elies	Michael Elies	133,111 ordinary shares
Smartgroup	Tim Looi	Tim Looi	133,111 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

No consideration was paid by Smartgroup. Smartgroup has no right to acquire the shares that are subject to the escrow agreements.

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

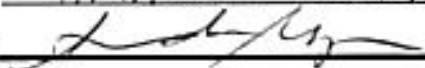
Not applicable.

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Smartgroup	Level 8, 133 Castlereagh Street, Sydney, NSW, 2000
Holders listed in item 4 (and Annexure A)	Clc- Smartgroup Corporation Ltd, Level 8, 133 Castlereagh Street, Sydney, NSW, 2000

Signature

print name AMANDA MORSEAN Capacity Company Secretary
sign here  date 31/7/2014.

Smartgroup Corporation Ltd ACN 126 266 831

This is Annexure A of 132 pages referred to in Form 603 – Notice of Initial Substantial Holder

Signed: 

Name: AMANDA MORGAN

Capacity: ...Company Secretary.....

Date: 3 July 2014

Voluntary Escrow Deed

Dated 13 June 2014

Smartgroup Corporation Ltd (ACN 126 266 831) (**Company**)

The **Holder** whose details are set out in the Schedule

King & Wood Mallesons
Level 50
Bourke Place
600 Bourke Street
Melbourne VIC 3000
Australia
T +61 3 9643 4000
F +61 3 9643 5999
DX 101 Melbourne
www.kwm.com

Voluntary Escrow Deed

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Voluntary Escrow Deed

Details

Parties	Company and the Holder	
Company	Name	Smartgroup Corporation Ltd
	ACN	126 266 831
	Address	Level 8, 133 Castlereagh Street, Sydney NSW 2000
	Telephone	+61 2 9119 8332
	Email	tim.lool@smartgroup.com.au
	Attention	Company Secretary
Holder	The Holder whose name and address are set out in the Schedule.	
Recitals	A	The Company and SaleCo intend to make an initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo. The Company intends to be admitted to the official list of the ASX.
	B	The Holder is the sole shareholder of the Company as at the date of this deed.
	C	The Holder intends to sell a portion of its Shares to Sale Co (or its nominee) pursuant to the Offer. After Completion of the Offer, the Holder will retain ownership of the Escrow Shares.
	D	The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this deed.
Governing law	New South Wales	
Date of deed	See signing page	

Voluntary Escrow Deed

General terms

1 Definitions and interpretation

1.1 Definitions

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a business day as defined in the ASX Listing Rules.

Completion of the Offer means the completion of the allotment of Shares pursuant to the Offer.

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

Deal means:

- (a) sell, assign, transfer or otherwise dispose of;
- (b) agree or offer to sell, assign, transfer or otherwise dispose of;
- (c) enter into any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise dispose of; or
- (d) create or agree to offer to create or permit to be created any Security Interest in,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date on which Completion of the Offer occurs and ending on the first trading day in Shares on ASX following the public announcement by the Company of its financial results for the financial year ending 31 December 2014.

Escrow Shares means 30,438,345 Shares.

Existing Shares means Shares held by the Holder as at the date of this deed.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given in section 2 of the ASX Settlement Operating Rules.

New Shares means Shares to be issued by the Company pursuant to the Offer.

Offer means the initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo, and the admission or quotation of those Shares to the quotation system of ASX.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a "security interest" within the meaning of the PPSA.

SaleCo means Smartgroup SaleCo Ltd (ACN 168 715 562).

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including, any retention of title; or
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a PPSA Security Interest.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Takeover Bid means a takeover bid for all Shares under Chapter 6 of the Corporations Act.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Offer.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation.

In this deed, unless the context requires another meaning:

- (a) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) a gender includes all genders;
 - (iii) a document (including this deed) is a reference to that document as amended, consolidated, supplemented, novated or replaced;
 - (iv) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
 - (v) a party means a party to this deed;

- (vi) an item, Recital, clause, provision, Schedule or Annexure is to an item, Recital, clause, provision, Schedule or Annexure of or to this deed;
- (vii) a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
- (viii) a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
- (ix) time is to prevailing Sydney time; and
- (x) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) headings and the Recitals are for convenience only and do not affect interpretation of this deed;
- (d) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day;
- (e) a warranty, representation, covenant or obligation given or entered into by more than one person binds them severally but not jointly;
- (f) unless otherwise expressly provided in this deed, if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day;
- (g) "writing" and "written" includes printing, typing and other modes of reproducing words in a visible form including any representation of words in a physical document or in an electronic communication or form or otherwise; and
- (h) the meaning of general words is not limited by specific examples introduced by "including", "for example" or "such as" or similar expressions.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;

- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules this deed is deemed not to contain that provision to the extent of the inconsistency.

2 Condition Precedent

The undertakings of the Holder pursuant to this deed are conditional upon Completion of the Offer occurring.

3 Escrow

3.1 Holder restrictions

During the Escrow Period the Holder agrees that it will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Escrow Shares.

3.2 Escrow restrictions

The parties acknowledge and agree that:

- (a) as soon as practicable following the Completion of the Offer, the Escrow Shares will be registered in and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit disposals of the Escrow Shares permitted by this deed; and
 - (ii) in full at the conclusion of the Escrow Period.

3.3 Notice by Holder

If the Holder becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.1 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.1 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3.4 Dividends and voting rights

For the avoidance of doubt, the parties agree that the terms of this deed will have no effect on any rights of the Holder to:

- (a) exercise any voting rights attaching to the Escrow Shares;
- (b) receive or be entitled to any dividend, return of capital or other distribution attaching to the Escrow Shares; and
- (c) receive or participate in any rights or bonus issue in connection with the Escrow Shares.

3.5 Takeovers, mergers and reorganisations

Clause 3.1 will cease to apply to the extent necessary to allow:

- (a) the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that:
 - (i) without limiting clause 3.5(a)(ii), holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have accepted the Takeover Bid; and
 - (ii) the Takeover Bid is unconditional or all conditions to the Takeover Bid have been satisfied or waived;
- (b) the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or
- (c) the Escrow Shares to be transferred or cancelled as part of a Share buyback or other similar reorganisation, a merger being implemented by way of a scheme of arrangement or an acquisition of all Shares which has received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts,

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid, scheme of arrangement or other transaction described in clause 3.5(a), 3.5(b) or 3.5(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this deed (including under clauses 3.1 and 3.2) will continue to apply for the duration of the Escrow Period and without limiting the foregoing, the Holding Lock will be re-applied to all Escrow Shares not so transferred or cancelled.

3.6 Other exceptions

Clause 3.1 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares:

- (a) with the prior written approval of the board of directors of the Company; or
- (b) pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares to be disposed of or a Security Interest granted over them.

4 Termination

- (a) This deed (other than clause 5 which survives termination) terminates with immediate effect and without the further action of any party at the end of the Escrow Period, provided that this deed will terminate with immediate effect and without the action of any party if Completion of the Offer has not occurred by 2 September 2014.
- (b) Without limiting clause 3.2(c)(i), the Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares as soon as possible following termination of this deed.

5 Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder in favour of the Company:

- (a) as at the date of this deed, unless a later date is specified in clause 5.2 or 5.3; and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

The Holder warrants and represents the following:

- (a) prior to the Escrow Period it has not done, or omitted to do, any act which would result in a Dealing in Escrow Shares which will take effect during the Escrow Period;
- (b) following Completion of the Offer, the Escrow Shares will be free from all Security Interests and other third party interests or rights (other than a PPSA Security Interest created as a result of this deed);
- (c) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed;
- (d) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;

- (e) this deed constitutes a legal, valid and binding obligation on it and, subject to any necessary stamping and registration, is enforceable in accordance with its terms; and
- (f) the execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents; or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

5.3 Survival of warranties and representations

The warranties and representations in this clause 5 survive the termination of this deed.

6 Consequences of breaching this deed

- (a) If the Holder breaches this deed or the Company has reasonable grounds to believe that a prospective breach of this deed may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or other Dealing in any Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this deed by the Holder and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligations under this deed, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7 Notices and other communications

7.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;
- (c) signed by the sender (if an individual) or a person duly authorised by the sender; and
- (d) marked for the attention of the person identified or referred to in the Details or Schedule or, if the recipient has notified otherwise, then marked for attention in the way last notified.

7.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 7.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

7.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details or Schedule; or
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details or Schedule; or
- (c) sent by email to the address set out or referred to in the Details or Schedule; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or email address, then communications must be to that address or email address.

7.4 When effective

Communications take effect from the time they are received or taken to be received under clause 7.5 (whichever happens first) unless a later time is specified.

7.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or
- (b) if sent by email;
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

7.6 Receipt outside business hours

Despite clauses 7.4 and 7.5, if communications are received or taken to be received under clause 7.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

8 General provisions

8.1 Invalid or unenforceable provisions

If a provision of this deed is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or
 - (ii) the remaining provisions.

8.2 Waiver and exercise of rights

- (a) A waiver by a party of a provision or a right under this deed is binding on the party granting the waiver only if it is given in writing and is signed by the party or an officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another or further exercise or attempted exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

8.3 Amendment

This deed may be amended only by a document signed by both parties.

8.4 Further assurances

The Holder undertakes to do all things necessary or desirable to effect the transactions contemplated by this deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument necessary or desirable only to the extent necessary to give effect to any of the transactions contemplated by this deed.

8.5 PPSA further steps

If the Company determines that this deed results in the creation of a PPSA Security Interest, the Holder agrees to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;
- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

8.6 Assignment

The Holder must not transfer, assign, create an interest in, or deal in any other way with, any of its rights or obligations under this deed without the prior written consent of the Company.

8.7 Entire agreement

This deed constitutes the entire agreement of the parties about the subject matter of this deed and supersedes any representations, negotiations, arrangements, understandings or agreements and all other communications.

8.8 Remedies

The rights, remedies and powers of the parties under this deed are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

8.9 Inconsistent agreements

If a provision of this deed is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder and any other person, the provision of this deed prevails.

8.10 Successors and assigns

This deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns and, in the case of the Holder, any trustee, receiver or other person lawfully acting on its behalf.

8.11 Approvals and consents

Except where this deed expressly states otherwise, a party or other person referred to in this deed (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this deed.

8.12 Counterparts

This deed may be signed in counterparts and all counterparts taken together constitute one document.

8.13 Governing law

This deed is governed by the laws of New South Wales.

8.14 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives any claim or objection based on absence of jurisdiction or inconvenient forum.

Voluntary Escrow Deed

Schedule - Holder Details

Holder

Name:	Smart Packages Pte Ltd
Company No.	201133243D
Incorporated in	Singapore
Address	1 Fusionopolis Walk #08-02, South Tower, Solaris, Singapore 138628
Fax	+65 6734 2870
Attention	Jeremy Abson – Director
Copy to	Usaha Tegas Sdn Bhd

Voluntary Escrow Deed

Signing page

EXECUTED as a deed

DATED: 13 June 2014

Holder

THE COMMON SEAL of SMART
PACKAGES PTE LTD is affixed to this
document in the presence of:

.....
Signature of director

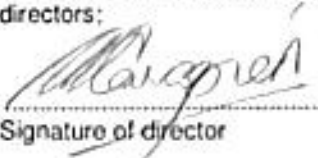
.....
Name of director (block letters)

.....
Signature of director/company
secretary
*delete whichever is not applicable

.....
Name of director/company secretary*
(block letters)
*delete whichever is not applicable

Company

EXECUTED by SMARTGROUP
CORPORATION LTD in accordance
with section 127(1) of the Corporations
Act 2001 (Cwlth) by authority of its
directors:


.....
Signature of director

MICHAEL CARAPIET
.....
Name of director (block letters)


.....
Signature of director/company
secretary
*delete whichever is not applicable
Andrew Bolam

.....
Name of director/company secretary*
(block letters)
*delete whichever is not applicable

Voluntary Escrow Deed

Signing page

EXECUTED as a deed

DATED: _____

Holder



THE COMMON SEAL of SMART
PACKAGES PTE LTD is affixed to this
document in the presence of:

Signature of director

TAY TUAN LENG

Name of director (block letters)

Signature of ~~director~~/company
secretary

*delete whichever is not applicable

LOW SIEN TIAN

Name of ~~director~~/company secretary*
(block letters)

*delete whichever is not applicable

Company

EXECUTED by SMARTGROUP
CORPORATION LTD in accordance
with section 127(1) of the Corporations
Act 2001 (Cwlth) by authority of its
directors:

Signature of director

Name of director (block letters)

Signature of director/company
secretary*

*delete whichever is not applicable

Name of director/company secretary*
(block letters)

*delete whichever is not applicable

Voluntary Escrow Deed

Dated 13 June 2014

Smartgroup Corporation Ltd (ACN 126 266 831) (**Company**)

The **Holder** whose details are set out in the Schedule

King & Wood Mallesons
Level 50
Bourke Place
600 Bourke Street
Melbourne VIC 3000
Australia
T +61 3 9643 4000
F +61 3 9643 5999
DX 101 Melbourne
www.kwm.com

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Parties	Company and the Holder	
Company	Name	Smartgroup Corporation Ltd
	ACN	126 266 831
	Address	Level 8, 133 Castlereagh Street Sydney NSW 2000
	Telephone	+61 2 9119 8332
	Email	tim.lol@smartgroup.com.au
	Attention	Company Secretary
Holder	The Holder whose name and address are set out in the Schedule.	
Recitals	A	The Company and SaleCo intend to make an initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo. The Company intends to be admitted to the official list of the ASX.
	B	The Holder will hold the Escrow Shares from the date of the Completion of the Offer.
	C	The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this deed.
Governing law	New South Wales	
Date of deed	See signing page	

Voluntary Escrow Deed

General terms

1 Definitions and interpretation

1.1 Definitions

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a business day as defined in the ASX Listing Rules.

Completion of the Offer means the completion of the allotment of Shares pursuant to the Offer.

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

Deal means:

- (a) sell, assign, transfer or otherwise dispose of;
- (b) agree or offer to sell, assign, transfer or otherwise dispose of;
- (c) enter into any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise dispose of; or
- (d) create or agree to offer to create or permit to be created any Security Interest in,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date on which Completion of the Offer occurs and ending on:

- (a) in relation to Tranche 1, the first trading day in Shares on ASX following the public announcement by the Company of its financial results for the financial year ending 31 December 2014; and
- (b) in relation to Tranche 2, the first trading day in Shares on ASX following the public announcement by the Company of its financial results for the financial year ending 31 December 2015.

Escrow Shares means the Bonus Shares (as defined in the letter agreement entitled "Past bonus to be paid as part of proposed initial public offering" between the Holder and the Company dated on or about 4 June 2014).

Existing Shares means Shares held by Smart Packages Pte Ltd as at the date of this Deed.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given in section 2 of the ASX Settlement Operating Rules.

New Shares means Shares to be issued by the Company pursuant to the Offer.

Offer means the initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo, and the admission or quotation of those Shares to the quotation system of ASX.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a "security interest" within the meaning of the PPSA.

SaleCo means Smartgroup SaleCo Ltd (ACN 168 715 562).

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including, any retention of title; or
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a PPSA Security Interest.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Takeover Bid means a takeover bid for all Shares under Chapter 6 of the Corporations Act.

Tranche 1 means 50% of the Escrow Shares.

Tranche 2 means 50% of the Escrow Shares.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Offer.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation.

In this deed, unless the context requires another meaning:

- (a) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) a gender includes all genders;
 - (iii) a document (including this deed) is a reference to that document as amended, consolidated, supplemented, novated or replaced;
 - (iv) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
 - (v) a party means a party to this deed;
 - (vi) an item, Recital, clause, provision, Schedule or Annexure is to an item, Recital, clause, provision, Schedule or Annexure of or to this deed;
 - (vii) a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
 - (viii) a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
 - (ix) time is to prevailing Sydney time; and
 - (x) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) headings and the Recitals are for convenience only and do not affect interpretation of this deed;
- (d) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day;
- (e) a warranty, representation, covenant or obligation given or entered into by more than one person binds them severally but not jointly;
- (f) unless otherwise expressly provided in this deed, if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day;
- (g) "writing" and "written" includes printing, typing and other modes of reproducing words in a visible form including any representation of words

in a physical document or in an electronic communication or form or otherwise; and

- (h) the meaning of general words is not limited by specific examples introduced by "including", "for example" or "such as" or similar expressions.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules this deed is deemed not to contain that provision to the extent of the inconsistency.

2 Condition Precedent

The undertakings of the Holder pursuant to this deed are conditional upon Completion of the Offer occurring.

3 Escrow

3.1 Holder restrictions

During the Escrow Period the Holder agrees that he or she will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Escrow Shares.

3.2 Escrow restrictions

The parties acknowledge and agree that:

- (a) as soon as practicable following the transfer of the Escrow Shares to the Holder on the Completion of the Offer, the Escrow Shares will be registered in and held for the Holder on the Issuer Sponsored Subregister;

- (b) the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit disposals of the Escrow Shares permitted by this deed; and
 - (ii) in full at the conclusion of the Escrow Period for Tranche 1 and Tranche 2 respectively.

3.3 Notice by Holder

If the Holder becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.1 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.1 during the Escrow Period,

he or she must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3.4 Dividends and voting rights

For the avoidance of doubt, the parties agree that the terms of this deed will have no effect on any rights of the Holder to:

- (a) exercise any voting rights attaching to the Escrow Shares;
- (b) receive or be entitled to any dividend, return of capital or other distribution attaching to the Escrow Shares; and
- (c) receive or participate in any rights or bonus issue in connection with the Escrow Shares.

3.5 Takeovers, mergers and reorganisations

Clause 3.1 will cease to apply to the extent necessary to allow:

- (a) the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that:
 - (i) without limiting clause 3.5(a)(ii), holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have accepted the Takeover Bid; and
 - (ii) the Takeover Bid is unconditional or all conditions to the Takeover Bid have been satisfied or waived;
- (b) the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or

- (c) the Escrow Shares to be transferred or cancelled as part of a Share buyback or other similar reorganisation, a merger being implemented by way of a scheme of arrangement or an acquisition of all Shares which has received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts,

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid, scheme of arrangement or other transaction described in clause 3.5(a), 3.5(b) or 3.5(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this deed (including under clauses 3.1 and 3.2) will continue to apply for the duration of the Escrow Period and without limiting the foregoing, the Holding Lock will be re-applied to all Escrow Shares not so transferred or cancelled.

3.6 Other exceptions

Clause 3.1 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares:

- (a) with the prior written approval of the board of directors of the Company; or
- (b) pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares to be disposed of or a Security Interest granted over them.

4 Termination

- (a) This deed (other than clause 5 which survives termination) terminates with immediate effect and without the further action of any party at the end of the Escrow Period, provided that this deed will terminate with immediate effect and without the action of any party if Completion of the Offer has not occurred by 2 September 2014.
- (b) Without limiting clause 3.2(c)(i), the Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares as soon as possible following termination of this deed.

5 Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder in favour of the Company:

- (a) as at the date of this deed, unless a later date is specified in clause 5.2; and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

The Holder warrants and represents the following:

- (a) prior to the Escrow Period he or she has not done, or omitted to do, any act which would result in a Dealing in Escrow Shares which will take effect during the Escrow Period;

- (b) following Completion of the Offer, the Escrow Shares will be free from all Security Interests and other third party interests or rights (other than a PPSA Security Interest created as a result of this deed);
- (c) he or she has full power and authority, without the consent of any other person, to enter into and perform his or her obligations under this deed;
- (d) he or she has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (e) this deed constitutes a legal, valid and binding obligation on the Holder and, subject to any necessary stamping and registration, is enforceable in accordance with its terms; and
- (f) the execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation; or
 - (ii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

5.3 Survival of warranties and representations

The warranties and representations in this clause 5 survive the termination of this deed.

6 Consequences of breaching this deed

- (a) If the Holder breaches this deed or the Company has reasonable grounds to believe that a prospective breach of this deed may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or other Dealing in any Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this deed by the Holder and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligations under this deed, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7 Notices and other communications

7.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;

- (c) signed by the sender (if an individual) or a person duly authorised by the sender; and
- (d) marked for the attention of the person identified or referred to in the Details or Schedule or, if the recipient has notified otherwise, then marked for attention in the way last notified.

7.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 7.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

7.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details or Schedule; or
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details or Schedule; or
- (c) sent by email to the address set out or referred to in the Details or Schedule; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or email address, then communications must be to that address or email address.

7.4 When effective

Communications take effect from the time they are received or taken to be received under clause 7.5 (whichever happens first) unless a later time is specified.

7.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or
- (b) if sent by email;
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

7.6 Receipt outside business hours

Despite clauses 7.4 and 7.5, if communications are received or taken to be received under clause 7.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

8 General provisions

8.1 Invalid or unenforceable provisions

If a provision of this deed is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or
 - (ii) the remaining provisions.

8.2 Waiver and exercise of rights

- (a) A waiver by a party of a provision or a right under this deed is binding on the party granting the waiver only if it is given in writing and is signed by the party or an officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another or further exercise or attempted exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

8.3 Amendment

This deed may be amended only by a document signed by both parties.

8.4 Further assurances

The Holder undertakes to do all things necessary or desirable to effect the transactions contemplated by this deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument necessary or desirable only to the extent necessary to give effect to any of the transactions contemplated by this deed.

8.5 PPSA further steps

If the Company determines that this deed results in the creation of a PPSA Security Interest, the Holder agrees to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;

- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

8.6 Assignment

The Holder must not transfer, assign, create an interest in, or deal in any other way with, any of his or her rights or obligations under this deed without the prior written consent of the other party.

8.7 Entire agreement

This deed constitutes the entire agreement of the parties about the subject matter of this deed and supersedes any representations, negotiations, arrangements, understandings or agreements and all other communications.

8.8 Remedies

The rights, remedies and powers of the parties under this deed are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

8.9 Inconsistent agreements

If a provision of this deed is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder and any other person, the provision of this deed prevails.

8.10 Successors and assigns

This deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns.

8.11 Approvals and consents

Except where this deed expressly states otherwise, a party or other person referred to in this deed (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this deed.

8.12 Counterparts

This deed may be signed in counterparts and all counterparts taken together constitute one document.

8.13 Governing law

This deed is governed by the laws of New South Wales.

8.14 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives any claim or objection based on absence of jurisdiction or inconvenient forum.

Voluntary Escrow Deed

Schedule - Holder Details

Holder

Name: Houda Lebbos
Address 39 Bank Street
Ascot Vale VIC 3032

Voluntary Escrow Deed

Signing page

EXECUTED as a deed

DATED: 13 June 2014

Company

EXECUTED by SMARTGROUP CORPORATION LTD in accordance with section 127(1) of the Corporations Act 2001 (Cwlth) by authority of its directors:



Signature of director

MICHAEL CARAPIET

Name of director (block letters)



Signature of director/company secretary*

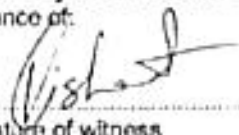
*delete whichever is not applicable

Andrew Bolam
Name of director/company secretary*
(block letters)

*delete whichever is not applicable

Holder

SIGNED by HOUDA LEBBOS in the
presence of:


Signature of witness

VISHANT SHARMA.
Name of witness (block letters)


Signature of HOUDA LEBBOS

Voluntary Escrow Deed

Dated 13 June 2014

Smartgroup Corporation Ltd (ACN 126 266 831) (**Company**)

The **Holder** whose details are set out in the Schedule

The **Controller** whose details are set out in the Schedule

King & Wood Mallesons
Level 50
Bourke Place
600 Bourke Street
Melbourne VIC 3000
Australia
T +61 3 9643 4000
F +61 3 9643 5999
DX 101 Melbourne
www.kwm.com

Voluntary Escrow Deed

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Voluntary Escrow Deed

Details

Parties	Company, the Holder and the Controller	
Company	Name	Smartgroup Corporation Ltd
	ACN	126 266 831
	Address	Level 8, 133 Castlereagh Street Sydney NSW 2000
	Telephone	+61 2 9119 8332
	Email	tim.loul@smartgroup.com.au
	Attention	Company Secretary
Holder	The Holder whose name and address are set out in the Schedule.	
Controller	The Controller whose name and address are set out in the Schedule.	
Recitals	A	The Company and SaleCo intend to make an initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo. The Company intends to be admitted to the official list of the ASX.
	B	The Holder will hold the Escrow Shares from the date of the Completion of the Offer.
	C	The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this deed.
	D	The Controller undertakes to the Company to hold the Controller Interests pursuant and subject to the terms of this deed.
Governing law	New South Wales	
Date of deed	See signing page	

Voluntary Escrow Deed

General terms

1 Definitions and interpretation

1.1 Definitions

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

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ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a business day as defined in the ASX Listing Rules.

Completion of the Offer means the completion of the allotment of Shares pursuant to the Offer.

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

Control means, in respect of a person or an entity, the capacity to determine the outcome of decisions in relation to the financial and operating policies of that person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise (and, without limiting the previous words, a person or an entity is deemed to Control another person or entity if it holds, directly or indirectly, together with other persons or entities it Controls, the beneficial interest in more than 50% of the total voting rights in the other person or entity) and **Controlled** and **Controlling** have corresponding meanings.

Controller Interests means all Securities, substantial economic interests or other interests in the Escrow Shares and each intermediate entity through which that interest occurs.

Deal means:

- (a) sell, assign, transfer or otherwise dispose of;
- (b) agree or offer to sell, assign, transfer or otherwise dispose of;
- (c) enter into any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise dispose of; or
- (d) create or agree to offer to create or permit to be created any Security Interest in,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date on which Completion of the Offer occurs and ending on:

- (b) in relation to Tranche 1, the first trading day in Shares on ASX following the public announcement by the Company of its financial results for the financial year ending 31 December 2014; and
- (c) in relation to Tranche 2, the first trading day in Shares on ASX following the public announcement by the Company of its financial results for the financial year ending 31 December 2015.

Escrow Shares means the Bonus Shares (as defined in the letter agreement entitled "Past bonus to be paid as part of proposed initial public offering" between the Controller and the Company dated 2 June 2014).

Existing Shares means Shares held by Smart Packages Pte Ltd as at the date of this Deed.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given in section 2 of the ASX Settlement Operating Rules.

New Shares means Shares to be issued by the Company pursuant to the Offer.

Offer means the initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo, and the admission or quotation of those Shares to the quotation system of ASX.

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PPSA Security Interest means a "security interest" within the meaning of the PPSA.

SaleCo means Smartgroup SaleCo Ltd (ACN 168 715 562).

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including, any retention of title; or
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a PPSA Security Interest.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Takeover Bid means a takeover bid for all Shares under Chapter 6 of the Corporations Act.

Tranche 1 means 50% of the Escrow Shares.

Tranche 2 means 50% of the Escrow Shares.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Offer.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation.

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- (a) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) a gender includes all genders;
 - (iii) a document (including this deed) is a reference to that document as amended, consolidated, supplemented, novated or replaced;
 - (iv) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
 - (v) a party means a party to this deed;
 - (vi) an item, Recital, clause, provision, Schedule or Annexure is to an item, Recital, clause, provision, Schedule or Annexure of or to this deed;
 - (vii) a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
 - (viii) a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
 - (ix) time is to prevailing Sydney time; and
 - (x) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) headings and the Recitals are for convenience only and do not affect interpretation of this deed;
- (d) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day;
- (e) a warranty, representation, covenant or obligation given or entered into by the Holder and the Controller binds them jointly and each of them individually; unless otherwise expressly provided in this deed, if a period

must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day;

- (f) "writing" and "written" includes printing, typing and other modes of reproducing words in a visible form including any representation of words in a physical document or in an electronic communication or form or otherwise; and
- (g) the meaning of general words is not limited by specific examples introduced by "including", "for example" or "such as" or similar expressions.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules this deed is deemed not to contain that provision to the extent of the inconsistency.

2 Condition Precedent

The undertakings of the Holder and the Controller pursuant to this deed are conditional upon Completion of the Offer occurring.

3 Escrow

3.1 Holder restrictions

During the Escrow Period the Holder agrees that it will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Escrow Shares.

3.2 Controller restrictions

During the Escrow Period the Controller agrees that he or she will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Controller Interests.

3.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) as soon as practicable following the transfer of the Escrow Shares to the Holder on the Completion of the Offer, the Escrow Shares will be registered in and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit disposals of the Escrow Shares permitted by this deed; and
 - (ii) in full at the conclusion of the Escrow Period for Tranche 1 and Tranche 2 respectively.

3.4 Notice by Holder

If the Holder becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.1 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.1 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3.5 Notice by Controller

If the Controller becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.2 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.2 during the Escrow Period,

he or she must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3.6 Dividends and voting rights

For the avoidance of doubt, the parties agree that the terms of this deed will have no effect on any rights of the Holder to:

- (a) exercise any voting rights attaching to the Escrow Shares;
- (b) receive or be entitled to any dividend, return of capital or other distribution attaching to the Escrow Shares; and
- (c) receive or participate in any rights or bonus issue in connection with the Escrow Shares.

3.7 Takeovers, mergers and reorganisations

Clause 3.1 will cease to apply to the extent necessary to allow:

- (a) the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that:
 - (i) without limiting clause 3.7(a)(ii), holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have accepted the Takeover Bid; and
 - (ii) the Takeover Bid is unconditional or all conditions to the Takeover Bid have been satisfied or waived;
- (b) the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or
- (c) the Escrow Shares to be transferred or cancelled as part of a Share buyback or other similar reorganisation, a merger being implemented by way of a scheme of arrangement or an acquisition of all Shares which has received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts,

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid, scheme of arrangement or other transaction described in clause 3.7(a), 3.7(b) or 3.7(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this deed (including under clauses 3.1, 3.2 and 3.3) will continue to apply for the duration of the Escrow Period and without limiting the foregoing, the Holding Lock will be re-applied to all Escrow Shares not so transferred or cancelled.

3.8 Controller reorganisation

Clauses 3.1 and 3.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests to enable the Controller to undertake a reorganisation of his or her affairs, subject to:

- (a) the prior consent of the board of directors of the Company in writing;
- (b) the Controller retaining ultimate control of the Escrow Shares; and
- (c) any new holder of the Escrow Shares or Controller Interests agreeing to be bound by a deed in substantially the same terms as this deed.

3.9 Other exceptions

Clauses 3.1 and 3.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests:

- (a) with the prior written approval of the board of directors of the Company;
- (b) pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares or Controller Interests to be disposed of or a Security Interest granted over them; or
- (c) pursuant to a transfer by the personal representatives of the Controller to whomever the Escrow Shares or Controller Interests have been bequeathed, provided that the transferee of the Escrow Shares or Controller Interests has agreed to be bound by a deed in substantially the same terms as this deed in respect of the Escrow Shares or Controller Interests.

4 Termination

- (a) This deed (other than clause 5 which survives termination) terminates with immediate effect and without the further action of any party at the end of the Escrow Period, provided that this deed will terminate with immediate effect and without the action of any party if Completion of the Offer has not occurred by 2 September 2014.
- (b) Without limiting clause 3.3(c)(i), the Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares as soon as possible following termination of this deed.

5 Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder or the Controller, as applicable, in favour of the Company:

- (a) as at the date of this deed, unless a later date is specified in clause 5.2 or 5.3; and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

The Holder warrants and represents the following:

- (a) prior to the Escrow Period it has not done, or omitted to do, any act which would result in a Dealing in Escrow Shares which will take effect during the Escrow Period;
- (b) following Completion of the Offer, the Escrow Shares will be free from all Security Interests and other third party interests or rights (other than a PPSA Security Interest created as a result of this deed);
- (c) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**));

- (d) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (e) this deed constitutes a legal, valid and binding obligation on it and the Controller, and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (f) if the Holder is a Trustee:
 - (i) the Trustee is the sole trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust; and
 - (ii) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way; and
 - (iii) the assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over those Trust assets; and
 - (iv) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust; and
- (g) the execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation; or
 - (ii) its constitution or other constituent documents, if any (and, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

5.3 Controller warranties and representations

The Controller warrants and represents the following:

- (a) prior to the Escrow Period he or she has not done, or omitted to do, any act which would result in a Dealing in any Controller Interests which will take effect during the Escrow Period;
- (b) the Controller Interests are free from all Security Interests and other third party interests or rights;
- (c) he or she has full power and authority, without the consent of any other person, to enter into and perform his or her obligations under this deed ;
- (d) he or she has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (e) this deed constitutes legal, valid and binding obligations on him or her and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;

- (f) the execution, delivery and performance by the Controller of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation; or
 - (ii) any agreement, undertaking, Security Interest or document which is binding on the Controller.

5.4 Survival of warranties and representations

The warranties and representations in this clause 5 survive the termination of this deed.

6 Consequences of breaching this deed

- (a) If the Holder or the Controller breaches this deed or the Company has reasonable grounds to believe that a prospective breach of this deed may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or other Dealing in any Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this deed by the Holder or the Controller and each of the Holder and the Controller agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's or the Controller (as applicable) obligations under this deed, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7 Capacity

If the Holder has entered into this deed as a Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 7 but subject to clause 7(c), the Holder enters into this deed only in its capacity as Trustee of the Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent which it can be satisfied out of the property of the Trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 7(c), a party to this deed may not sue the Holder in any capacity other than as Trustee in respect of the Trust, including seeking the appointment to the Holder of a receiver (except in relation to the property of the Trust), a liquidator, administrator or any similar person; and
- (c) the provisions of this clause 7 will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the Trust's relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's right of indemnification out of the assets of the Trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

8 Notices and other communications

8.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;
- (c) signed by the sender (if an individual) or a person duly authorised by the sender; and
- (d) marked for the attention of the person identified or referred to in the Details or Schedule or, if the recipient has notified otherwise, then marked for attention in the way last notified.

8.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 8.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

8.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details or Schedule; or
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details or Schedule; or
- (c) sent by email to the address set out or referred to in the Details or Schedule; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or email address, then communications must be to that address or email address.

8.4 When effective

Communications take effect from the time they are received or taken to be received under clause 8.5 (whichever happens first) unless a later time is specified.

8.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or

- (b) If sent by email;
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,
- whichever happens first.

8.6 Receipt outside business hours

Despite clauses 8.4 and 8.5, if communications are received or taken to be received under clause 8.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

9 General provisions

9.1 Invalid or unenforceable provisions

If a provision of this deed is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or
 - (ii) the remaining provisions.

9.2 Waiver and exercise of rights

- (a) A waiver by a party of a provision or a right under this deed is binding on the party granting the waiver only if it is given in writing and is signed by the party or an officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another or further exercise or attempted exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

9.3 Amendment

This deed may be amended only by a document signed by all parties.

9.4 Further assurances

The Holder and the Controller each undertake to, and to procure that all persons under their respective Control, undertakes to do all things necessary or desirable to effect the transactions contemplated by this deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument necessary or desirable only to the extent necessary to give effect to any of the transactions contemplated by this deed.

9.5 PPSA further steps

If the Company determines that this deed results in the creation of a PPSA Security Interest, the Holder and the Controller each agree to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;
- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

9.6 Assignment

Subject to clause 3.8, the Holder and the Controller must not transfer, assign, create an interest in, or deal in any other way with, any of their respective rights or obligations under this deed without the prior written consent of the other parties.

9.7 Entire agreement

This deed constitutes the entire agreement of the parties about the subject matter of this deed and supersedes any representations, negotiations, arrangements, understandings or agreements and all other communications.

9.8 Remedies

The rights, remedies and powers of the parties under this deed are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

9.9 Inconsistent agreements

If a provision of this deed is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder and the Controller, or between the Holder or the Controller and any other person, the provision of this deed prevails.

9.10 Successors and assigns

This deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns and, in the case of the Controller, his or her personal representatives and any trustee, receiver or other person lawfully acting on his or her behalf.

9.11 Approvals and consents

Except where this deed expressly states otherwise, a party or other person referred to in this deed (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this deed.

9.12 Counterparts

This deed may be signed in counterparts and all counterparts taken together constitute one document.

9.13 Governing law

This deed is governed by the laws of New South Wales.

9.14 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives any claim or objection based on absence of jurisdiction or inconvenient forum.

Voluntary Escrow Deed

Schedule - Holder and Controller Details

Holder

Name	The Trustee for Archie Family Trust
ABN	14 689 775 395
Address	7 Harwood Place Seaforth NSW 2092
Copy to	Tim Lool

Controller

Name	Tim Lool
Address	7 Harwood Place Seaforth NSW 2092
Attention	Tim Lool
Copy to	Tim Lool as trustee for The Trustee for Archie Family Trust

Voluntary Escrow Deed

Signing page

EXECUTED as a deed

DATED: 13 June 2014

Company

EXECUTED by **SMARTGROUP CORPORATION LTD** in accordance with section 127(1) of the Corporations Act 2001 (Cwlth) by authority of its directors:


.....
Signature of director

MICHAEL CARAPIET
.....
Name of director (block letters)

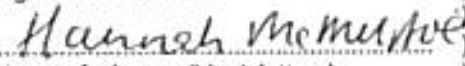

.....
Signature of director/company secretary
*delete whichever is not applicable

Andrew Bolam
.....
Name of director/company secretary*
(block letters)
*delete whichever is not applicable

Holder

EXECUTED by **TIM LOOI** as trustee
for **THE TRUSTEE FOR ARCHIE**
FAMILY TRUST in the presence of:


Signature of witness


Name of witness (block letters)

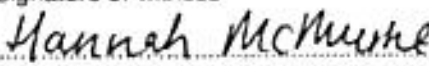


Signature of Tim Looi

Controller

SIGNED, SEALED AND DELIVERED
by **TIM LOOI** in the presence of:


Signature of witness


Name of witness (block letters)



Signature of Tim Looi

Voluntary Escrow Deed

Dated 13 June 2014

Smartgroup Corporation Ltd (ACN 126 266 831) (**Company**)

The **Holder** whose details are set out in the Schedule

The **Controller** whose details are set out in the Schedule

King & Wood Mallesons
Level 50
Bourke Place
600 Bourke Street
Melbourne VIC 3000
Australia
T +61 3 9643 4000
F +61 3 9643 5999
DX 101 Melbourne
www.kwm.com

Voluntary Escrow Deed

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Voluntary Escrow Deed

Details

Parties	Company, the Holder and the Controller	
Company	Name	Smartgroup Corporation Ltd
	ACN	126 266 831
	Address	Level 8, 133 Castlereagh Street Sydney NSW 2000
	Telephone	+61 2 9119 8332
	Email	tim.loui@smartgroup.com.au
	Attention	Company Secretary
Holder	The Holder whose name and address are set out in the Schedule.	
Controller	The Controller whose name and address are set out in the Schedule.	
Recitals	A	The Company and SaleCo intend to make an initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo. The Company intends to be admitted to the official list of the ASX.
	B	The Holder will hold the Escrow Shares from the date of the Completion of the Offer.
	C	The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this deed.
	D	The Controller undertakes to the Company to hold the Controller interests pursuant and subject to the terms of this deed.
Governing law	New South Wales	
Date of deed	See signing page	

Voluntary Escrow Deed

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Voluntary Escrow Deed

Dated 13 June 2014

Smartgroup Corporation Ltd (ACN 126 266 831) (Company)

The Holder whose details are set out in the Schedule

King & Wood Mallesons
Level 50
Bourke Place
600 Bourke Street
Melbourne VIC 3000
Australia
T +61 3 9643 4000
F +61 3 9643 5999
DX 101 Melbourne
www.kwm.com

Voluntary Escrow Deed

General terms

1 Definitions and interpretation

1.1 Definitions

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a business day as defined in the ASX Listing Rules.

Completion of the Offer means the completion of the allotment of Shares pursuant to the Offer.

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

Control means, in respect of a person or an entity, the capacity to determine the outcome of decisions in relation to the financial and operating policies of that person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise (and, without limiting the previous words, a person or an entity is deemed to Control another person or entity if it holds, directly or indirectly, together with other persons or entities it Controls, the beneficial interest in more than 50% of the total voting rights in the other person or entity) and **Controlled** and **Controlling** have corresponding meanings.

Controller Interests means all Securities, substantial economic interests or other interests in the Escrow Shares and each intermediate entity through which that interest occurs.

Deal means:

- (a) sell, assign, transfer or otherwise dispose of;
- (b) agree or offer to sell, assign, transfer or otherwise dispose of;
- (c) enter into any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise dispose of; or
- (d) create or agree to offer to create or permit to be created any Security Interest in,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date on which Completion of the Offer occurs and ending on:

- (a) in relation to Tranche 1, the first trading day in Shares on ASX following the public announcement by the Company of its financial results for the financial year ending 31 December 2014; and
- (b) in relation to Tranche 2, the first trading day in Shares on ASX following the public announcement by the Company of its financial results for the financial year ending 31 December 2015.

Escrow Shares means the Bonus Shares (as defined in the letter agreement entitled "Past bonus to be paid as part of proposed initial public offering" between the Controller and the Company dated 2 June 2014).

Existing Shares means Shares held by Smart Packages Pte Ltd as at the date of this Deed.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given in section 2 of the ASX Settlement Operating Rules.

New Shares means Shares to be issued by the Company pursuant to the Offer.

Offer means the initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo, and the admission or quotation of those Shares to the quotation system of ASX.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a "security interest" within the meaning of the PPSA.

SaleCo means Smartgroup SaleCo Ltd (ACN 168 715 562).

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including, any retention of title; or
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a PPSA Security Interest.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Takeover Bid means a takeover bid for all Shares under Chapter 6 of the Corporations Act.

Tranche 1 means 25% of the Escrow Shares.

Tranche 2 means 75% of the Escrow Shares.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Offer.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation.

In this deed, unless the context requires another meaning:

- (a) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) a gender includes all genders;
 - (iii) a document (including this deed) is a reference to that document as amended, consolidated, supplemented, novated or replaced;
 - (iv) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
 - (v) a party means a party to this deed;
 - (vi) an item, Recital, clause, provision, Schedule or Annexure is to an item, Recital, clause, provision, Schedule or Annexure of or to this deed;
 - (vii) a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
 - (viii) a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
 - (ix) time is to prevailing Sydney time; and
 - (x) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) headings and the Recitals are for convenience only and do not affect interpretation of this deed;
- (d) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day;
- (e) a warranty, representation, covenant or obligation given or entered into by the Holder and the Controller binds them jointly and each of them individually; unless otherwise expressly provided in this deed, if a period

must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day;

- (f) "writing" and "written" includes printing, typing and other modes of reproducing words in a visible form including any representation of words in a physical document or in an electronic communication or form or otherwise; and
- (g) the meaning of general words is not limited by specific examples introduced by "including", "for example" or "such as" or similar expressions.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules this deed is deemed not to contain that provision to the extent of the inconsistency.

2 Condition Precedent

The undertakings of the Holder and the Controller pursuant to this deed are conditional upon Completion of the Offer occurring.

3 Escrow

3.1 Holder restrictions

During the Escrow Period the Holder agrees that it will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Escrow Shares.

3.2 Controller restrictions

During the Escrow Period the Controller agrees that he or she will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Controller Interests.

3.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) as soon as practicable following the transfer of the Escrow Shares to the Holder on the Completion of the Offer, the Escrow Shares will be registered in and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit disposals of the Escrow Shares permitted by this deed; and
 - (ii) in full at the conclusion of the Escrow Period for Tranche 1 and Tranche 2 respectively.

3.4 Notice by Holder

If the Holder becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.1 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.1 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3.5 Notice by Controller

If the Controller becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.2 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.2 during the Escrow Period,

he or she must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3.6 Dividends and voting rights

For the avoidance of doubt, the parties agree that the terms of this deed will have no effect on any rights of the Holder to:

- (a) exercise any voting rights attaching to the Escrow Shares;
- (b) receive or be entitled to any dividend, return of capital or other distribution attaching to the Escrow Shares; and
- (c) receive or participate in any rights or bonus issue in connection with the Escrow Shares.

3.7 Takeovers, mergers and reorganisations

Clause 3.1 will cease to apply to the extent necessary to allow:

- (a) the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that:
 - (i) without limiting clause 3.7(a)(ii), holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have accepted the Takeover Bid; and
 - (ii) the Takeover Bid is unconditional or all conditions to the Takeover Bid have been satisfied or waived;
- (b) the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or
- (c) the Escrow Shares to be transferred or cancelled as part of a Share buyback or other similar reorganisation, a merger being implemented by way of a scheme of arrangement or an acquisition of all Shares which has received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts,

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid, scheme of arrangement or other transaction described in clause 3.7(a), 3.7(b) or 3.7(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this deed (including under clauses 3.1, 3.2 and 3.3) will continue to apply for the duration of the Escrow Period and without limiting the foregoing, the Holding Lock will be re-applied to all Escrow Shares not so transferred or cancelled.

3.8 Controller reorganisation

Clauses 3.1 and 3.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests to enable the Controller to undertake a reorganisation of his or her affairs, subject to:

- (a) the prior consent of the board of directors of the Company in writing;
- (b) the Controller retaining ultimate control of the Escrow Shares; and
- (c) any new holder of the Escrow Shares or Controller Interests agreeing to be bound by a deed in substantially the same terms as this deed.

3.9 Other exceptions

Clauses 3.1 and 3.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests:

- (a) with the prior written approval of the board of directors of the Company;
- (b) pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares or Controller Interests to be disposed of or a Security Interest granted over them; or
- (c) pursuant to a transfer by the personal representatives of the Controller to whomever the Escrow Shares or Controller Interests have been bequeathed, provided that the transferee of the Escrow Shares or Controller Interests has agreed to be bound by a deed in substantially the same terms as this deed in respect of the Escrow Shares or Controller Interests.

4 Termination

- (a) This deed (other than clause 5 which survives termination) terminates with immediate effect and without the further action of any party at the end of the Escrow Period, provided that this deed will terminate with immediate effect and without the action of any party if Completion of the Offer has not occurred by 2 September 2014.
- (b) Without limiting clause 3.3(c)(i), the Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares as soon as possible following termination of this deed.

5 Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder or the Controller, as applicable, in favour of the Company:

- (a) as at the date of this deed, unless a later date is specified in clause 5.2 or 5.3; and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

The Holder warrants and represents the following:

- (a) prior to the Escrow Period it has not done, or omitted to do, any act which would result in a Dealing in Escrow Shares which will take effect during the Escrow Period;
- (b) following Completion of the Offer, the Escrow Shares will be free from all Security Interests and other third party interests or rights (other than a PPSA Security Interest created as a result of this deed);
- (c) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**));

- (d) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (e) this deed constitutes a legal, valid and binding obligation on it and the Controller, and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (f) if the Holder is a Trustee:
 - (i) the Trustee is the sole trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust; and
 - (ii) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way; and
 - (iii) the assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over those Trust assets; and
 - (iv) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust; and
- (g) the execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation; or
 - (ii) its constitution or other constituent documents, if any (and, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

5.3 Controller warranties and representations

The Controller warrants and represents the following:

- (a) prior to the Escrow Period he or she has not done, or omitted to do, any act which would result in a Dealing in any Controller Interests which will take effect during the Escrow Period;
- (b) the Controller Interests are free from all Security Interests and other third party interests or rights;
- (c) he or she has full power and authority, without the consent of any other person, to enter into and perform his or her obligations under this deed;
- (d) he or she has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (e) this deed constitutes legal, valid and binding obligations on him or her and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;

- (f) the execution, delivery and performance by the Controller of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation; or
 - (ii) any agreement, undertaking, Security Interest or document which is binding on the Controller.

5.4 Survival of warranties and representations

The warranties and representations in this clause 5 survive the termination of this deed.

6 Consequences of breaching this deed

- (a) If the Holder or the Controller breaches this deed or the Company has reasonable grounds to believe that a prospective breach of this deed may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or other Dealing in any Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this deed by the Holder or the Controller and each of the Holder and the Controller agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's or the Controller (as applicable) obligations under this deed, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7 Capacity

If the Holder has entered into this deed as a Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 7 but subject to clause 7(c), the Holder enters into this deed only in its capacity as Trustee of the Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent which it can be satisfied out of the property of the Trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 7(c), a party to this deed may not sue the Holder in any capacity other than as Trustee in respect of the Trust, including seeking the appointment to the Holder of a receiver (except in relation to the property of the Trust), a liquidator, administrator or any similar person; and
- (c) the provisions of this clause 7 will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the Trust's relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's right of indemnification out of the assets of the Trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

8 Notices and other communications

8.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;
- (c) signed by the sender (if an individual) or a person duly authorised by the sender; and
- (d) marked for the attention of the person identified or referred to in the Details or Schedule or, if the recipient has notified otherwise, then marked for attention in the way last notified.

8.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 8.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

8.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details or Schedule; or
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details or Schedule; or
- (c) sent by email to the address set out or referred to in the Details or Schedule; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or email address, then communications must be to that address or email address.

8.4 When effective

Communications take effect from the time they are received or taken to be received under clause 8.5 (whichever happens first) unless a later time is specified.

8.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or

- (b) if sent by email;
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,
- whichever happens first.

8.6 Receipt outside business hours

Despite clauses 8.4 and 8.5, if communications are received or taken to be received under clause 8.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

9 General provisions

9.1 Invalid or unenforceable provisions

If a provision of this deed is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or
 - (ii) the remaining provisions.

9.2 Waiver and exercise of rights

- (a) A waiver by a party of a provision or a right under this deed is binding on the party granting the waiver only if it is given in writing and is signed by the party or an officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another or further exercise or attempted exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

9.3 Amendment

This deed may be amended only by a document signed by all parties.

9.4 Further assurances

The Holder and the Controller each undertake to, and to procure that all persons under their respective Control, undertakes to do all things necessary or desirable to effect the transactions contemplated by this deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument necessary or desirable only to the extent necessary to give effect to any of the transactions contemplated by this deed.

9.5 PPSA further steps

If the Company determines that this deed results in the creation of a PPSA Security Interest, the Holder and the Controller each agree to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;
- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

9.6 Assignment

Subject to clause 3.8, the Holder and the Controller must not transfer, assign, create an interest in, or deal in any other way with, any of their respective rights or obligations under this deed without the prior written consent of the other parties.

9.7 Entire agreement

This deed constitutes the entire agreement of the parties about the subject matter of this deed and supersedes any representations, negotiations, arrangements, understandings or agreements and all other communications.

9.8 Remedies

The rights, remedies and powers of the parties under this deed are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

9.9 Inconsistent agreements

If a provision of this deed is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder and the Controller, or between the Holder or the Controller and any other person, the provision of this deed prevails.

9.10 Successors and assigns

This deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns and, in the case of the Controller, his or her personal representatives and any trustee, receiver or other person lawfully acting on his or her behalf.

9.11 Approvals and consents

Except where this deed expressly states otherwise, a party or other person referred to in this deed (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this deed.

9.12 Counterparts

This deed may be signed in counterparts and all counterparts taken together constitute one document.

9.13 Governing law

This deed is governed by the laws of New South Wales.

9.14 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives any claim or objection based on absence of jurisdiction or inconvenient forum.

Voluntary Escrow Deed

Schedule - Holder and Controller Details

Holder

Name:	Apinto Pty Limited as trustee for The Deven Billimoria Family Trust
ACN	114 413 795
Incorporated in	Australia
Address	2A/2 Bowman Street Pymont NSW 2009
Copy to	Deven Vasant Billimoria

Controller

Name	Deven Vasant Billimoria
Address	2A/2 Bowman Street Pymont NSW 2009
Attention	Deven Vasant Billimoria
Copy to	Apinto Pty Limited as trustee for The Deven Billimoria Family Trust

Voluntary Escrow Deed

Signing page

EXECUTED as a deed

DATED: 13 JUNE 2014

Company

EXECUTED by **SMARTGROUP CORPORATION LTD** in accordance with section 127(1) of the Corporations Act 2001 (Cwith) by authority of its directors:


.....
Signature of director

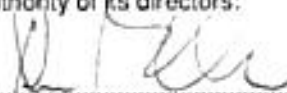
MICHAEL CARAPIET
.....
Name of director (block letters)


.....
Signature of director/company secretary*
*delete whichever is not applicable

Andrew Bolam
.....
Name of director/company secretary*
(block letters)
*delete whichever is not applicable

Holder

EXECUTED by APINTO PTY LIMITED
AS TRUSTEE FOR THE DEVEN
BILLIMORIA FAMILY TRUST in
accordance with section 127(1) of the
Corporations Act 2001 (Cwlth) by
authority of its directors:


Signature of director

DEVEN BILLIMORIA
Name of director (block letters)



Signature of director/company
secretary

*delete whichever is not applicable

DEVEN BILLIMORIA
Name of director/company secretary*
(block letters)

*delete whichever is not applicable

Controller

SIGNED, SEALED AND DELIVERED
by DEVEN VASANT BILLIMORIA in
the presence of:


Signature of witness

Hannah McMurtrie
Name of witness (block letters)


Signature of Deven Vasant Billimoria

Voluntary Escrow Deed

Details

Parties	Company and the Holder	
Company	Name	Smartgroup Corporation Ltd
	ACN	126 266 831
	Address	Level 8, 133 Castlereagh Street Sydney NSW 2000
	Telephone	+61 2 9119 8332
	Email	tim.look@smartgroup.com.au
	Attention	Company Secretary
Holder	The Holder whose name and address are set out in the Schedule.	
Recitals	A	The Company and SaleCo intend to make an initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo. The Company intends to be admitted to the official list of the ASX.
	B	The Holder will hold the Escrow Shares from the date of the Completion of the Offer.
	C	The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this deed.
Governing law	New South Wales	
Date of deed	See signing page	

8.13	Governing law	11
8.14	Jurisdiction	11
	Schedule - Holder Details	12
	Signing page	13

Voluntary Escrow Deed

General terms

1 Definitions and Interpretation

1.1 Definitions

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a business day as defined in the ASX Listing Rules.

Completion of the Offer means the completion of the allotment of Shares pursuant to the Offer.

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

Deal means:

- (a) sell, assign, transfer or otherwise dispose of;
- (b) agree or offer to sell, assign, transfer or otherwise dispose of;
- (c) enter into any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise dispose of; or
- (d) create or agree to offer to create or permit to be created any Security Interest in,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date on which Completion of the Offer occurs and ending on:

- (a) in relation to Tranche 1, the first trading day in Shares on ASX following the public announcement by the Company of its financial results for the financial year ending 31 December 2014; and
- (b) in relation to Tranche 2, the first trading day in Shares on ASX following the public announcement by the Company of its financial results for the financial year ending 31 December 2015.

Escrow Shares means the Bonus Shares (as defined in the letter agreement entitled "Past bonus to be paid as part of proposed initial public offering" between the Holder and the Company dated 2 June 2014).

Existing Shares means Shares held by Smart Packages Pie Ltd as at the date of this Deed.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given in section 2 of the ASX Settlement Operating Rules.

New Shares means Shares to be issued by the Company pursuant to the Offer.

Offer means the initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo, and the admission or quotation of those Shares to the quotation system of ASX.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a "security interest" within the meaning of the PPSA.

SaleCo means Smartgroup SaleCo Ltd (ACN 168 715 562).

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including, any retention of title; or
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a PPSA Security Interest.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Takeover Bid means a takeover bid for all Shares under Chapter 6 of the Corporations Act.

Tranche 1 means 50% of the Escrow Shares.

Tranche 2 means 50% of the Escrow Shares.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Offer.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation.

In this deed, unless the context requires another meaning:

- (a) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) a gender includes all genders;
 - (iii) a document (including this deed) is a reference to that document as amended, consolidated, supplemented, novated or replaced;
 - (iv) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
 - (v) a party means a party to this deed;
 - (vi) an item, Recital, clause, provision, Schedule or Annexure is to an item, Recital, clause, provision, Schedule or Annexure of or to this deed;
 - (vii) a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
 - (viii) a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
 - (ix) time is to prevailing Sydney time; and
 - (x) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) headings and the Recitals are for convenience only and do not affect interpretation of this deed;
- (d) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day;
- (e) a warranty, representation, covenant or obligation given or entered into by more than one person binds them severally but not jointly;
- (f) unless otherwise expressly provided in this deed, if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day;
- (g) "writing" and "written" includes printing, typing and other modes of reproducing words in a visible form including any representation of words

in a physical document or in an electronic communication or form or otherwise; and

- (h) the meaning of general words is not limited by specific examples introduced by "including", "for example" or "such as" or similar expressions.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules this deed is deemed not to contain that provision to the extent of the inconsistency.

2 Condition Precedent

The undertakings of the Holder pursuant to this deed are conditional upon Completion of the Offer occurring.

3 Escrow

3.1 Holder restrictions

During the Escrow Period the Holder agrees that he or she will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Escrow Shares.

3.2 Escrow restrictions

The parties acknowledge and agree that:

- (a) as soon as practicable following the transfer of the Escrow Shares to the Holder on the Completion of the Offer, the Escrow Shares will be registered in and held for the Holder on the Issuer Sponsored Subregister;

- (b) the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit disposals of the Escrow Shares permitted by this deed; and
 - (ii) in full at the conclusion of the Escrow Period for Tranche 1 and Tranche 2 respectively.

3.3 Notice by Holder

If the Holder becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.1 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.1 during the Escrow Period,

he or she must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3.4 Dividends and voting rights

For the avoidance of doubt, the parties agree that the terms of this deed will have no effect on any rights of the Holder to:

- (a) exercise any voting rights attaching to the Escrow Shares;
- (b) receive or be entitled to any dividend, return of capital or other distribution attaching to the Escrow Shares; and
- (c) receive or participate in any rights or bonus issue in connection with the Escrow Shares.

3.5 Takeovers, mergers and reorganisations

Clause 3.1 will cease to apply to the extent necessary to allow:

- (a) the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that:
 - (i) without limiting clause 3.5(a)(ii), holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have accepted the Takeover Bid; and
 - (ii) the Takeover Bid is unconditional or all conditions to the Takeover Bid have been satisfied or waived;
- (b) the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or

- (c) the Escrow Shares to be transferred or cancelled as part of a Share buyback or other similar reorganisation, a merger being implemented by way of a scheme of arrangement or an acquisition of all Shares which has received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts,

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid, scheme of arrangement or other transaction described in clause 3.5(a), 3.5(b) or 3.5(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this deed (including under clauses 3.1 and 3.2) will continue to apply for the duration of the Escrow Period and without limiting the foregoing, the Holding Lock will be re-applied to all Escrow Shares not so transferred or cancelled.

3.6 Other exceptions

Clause 3.1 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares:

- (a) with the prior written approval of the board of directors of the Company; or
- (b) pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares to be disposed of or a Security Interest granted over them.

4 Termination

- (a) This deed (other than clause 5 which survives termination) terminates with immediate effect and without the further action of any party at the end of the Escrow Period, provided that this deed will terminate with immediate effect and without the action of any party if Completion of the Offer has not occurred by 2 September 2014.
- (b) Without limiting clause 3.2(c)(i), the Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares as soon as possible following termination of this deed.

5 Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder in favour of the Company:

- (a) as at the date of this deed, unless a later date is specified in clause 5.2; and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

The Holder warrants and represents the following:

- (a) prior to the Escrow Period he or she has not done, or omitted to do, any act which would result in a Dealing in Escrow Shares which will take effect during the Escrow Period;

- (b) following Completion of the Offer, the Escrow Shares will be free from all Security Interests and other third party interests or rights (other than a PPSA Security Interest created as a result of this deed);
- (c) he or she has full power and authority, without the consent of any other person, to enter into and perform his or her obligations under this deed;
- (d) he or she has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (e) this deed constitutes a legal, valid and binding obligation on the Holder and, subject to any necessary stamping and registration, is enforceable in accordance with its terms; and
- (f) the execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation; or
 - (ii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

5.3 Survival of warranties and representations

The warranties and representations in this clause 5 survive the termination of this deed.

6 Consequences of breaching this deed

- (a) If the Holder breaches this deed or the Company has reasonable grounds to believe that a prospective breach of this deed may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or other Dealing in any Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this deed by the Holder and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligations under this deed, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7 Notices and other communications

7.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;

- (c) signed by the sender (if an individual) or a person duly authorised by the sender; and
- (d) marked for the attention of the person identified or referred to in the Details or Schedule or, if the recipient has notified otherwise, then marked for attention in the way last notified.

7.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 7.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

7.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details or Schedule; or
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details or Schedule; or
- (c) sent by email to the address set out or referred to in the Details or Schedule; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or email address, then communications must be to that address or email address.

7.4 When effective

Communications take effect from the time they are received or taken to be received under clause 7.5 (whichever happens first) unless a later time is specified.

7.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or
- (b) if sent by email;
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

7.6 Receipt outside business hours

Despite clauses 7.4 and 7.5, if communications are received or taken to be received under clause 7.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

8 General provisions

8.1 Invalid or unenforceable provisions

If a provision of this deed is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or
 - (ii) the remaining provisions.

8.2 Waiver and exercise of rights

- (a) A waiver by a party of a provision or a right under this deed is binding on the party granting the waiver only if it is given in writing and is signed by the party or an officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another or further exercise or attempted exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

8.3 Amendment

This deed may be amended only by a document signed by both parties.

8.4 Further assurances

The Holder undertakes to do all things necessary or desirable to effect the transactions contemplated by this deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument necessary or desirable only to the extent necessary to give effect to any of the transactions contemplated by this deed.

8.5 PPSA further steps

If the Company determines that this deed results in the creation of a PPSA Security Interest, the Holder agrees to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;

- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

8.6 Assignment

The Holder must not transfer, assign, create an interest in, or deal in any other way with, any of his or her rights or obligations under this deed without the prior written consent of the other party.

8.7 Entire agreement

This deed constitutes the entire agreement of the parties about the subject matter of this deed and supersedes any representations, negotiations, arrangements, understandings or agreements and all other communications.

8.8 Remedies

The rights, remedies and powers of the parties under this deed are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

8.9 Inconsistent agreements

If a provision of this deed is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder and any other person, the provision of this deed prevails.

8.10 Successors and assigns

This deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns.

8.11 Approvals and consents

Except where this deed expressly states otherwise, a party or other person referred to in this deed (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this deed.

8.12 Counterparts

This deed may be signed in counterparts and all counterparts taken together constitute one document.

8.13 Governing law

This deed is governed by the laws of New South Wales.

8.14 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives any claim or objection based on absence of jurisdiction or inconvenient forum.

Voluntary Escrow Deed

Schedule - Holder Details

Holder

Name: Michael Ellies
Address 71/108 Elizabeth Bay Road
Elizabeth Bay NSW 2011

Voluntary Escrow Deed

Signing page

EXECUTED as a deed

DATED: 13 June 2014

Company

EXECUTED by **SMARTGROUP CORPORATION LTD** in accordance with section 127(1) of the Corporations Act 2001 (Cwlth) by authority of its directors:

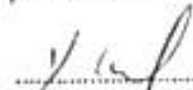

.....
Signature of director

MICHAEL CARAPIET
.....
Name of director (block letters)


.....
Signature of director/company secretary*
*delete whichever is not applicable
Andrew Bolam
.....
Name of director/company secretary* (block letters)
*delete whichever is not applicable

Holder

SIGNED by MICHAEL ELLIES in the
presence of:



Signature of witness

KAREN ALCOCK

Name of witness (block letters)



Signature of Michael Ellies

Voluntary Escrow Deed

Dated 13 June 2014

Smartgroup Corporation Ltd (ACN 126 266 831) (**Company**)

The **Holder** whose details are set out in the Schedule

King & Wood Mallesons
Level 50
Bourke Place
600 Bourke Street
Melbourne VIC 3000
Australia
T +61 3 9643 4000
F +61 3 9643 5999
DX 101 Melbourne
www.kwm.com

Voluntary Escrow Deed

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Voluntary Escrow Deed

Details

Parties	Company and the Holder	
Company	Name	Smartgroup Corporation Ltd
	ACN	126 266 831
	Address	Level 8, 133 Castlereagh Street Sydney NSW 2000
	Telephone	+61 2 9119 8332
	Email	tim.looi@smartgroup.com.au
	Attention	Company Secretary
Holder	The Holder whose name and address are set out in the Schedule.	
Recitals	A	The Company and SaleCo intend to make an initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo. The Company intends to be admitted to the official list of the ASX.
	B	The Holder will hold the Escrow Shares from the date of the Completion of the Offer.
	C	The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this deed.
Governing law	New South Wales	
Date of deed	See signing page	

Voluntary Escrow Deed

General terms

1 Definitions and interpretation

1.1 Definitions

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a business day as defined in the ASX Listing Rules.

Completion of the Offer means the completion of the allotment of Shares pursuant to the Offer.

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

Deal means:

- (a) sell, assign, transfer or otherwise dispose of;
- (b) agree or offer to sell, assign, transfer or otherwise dispose of;
- (c) enter into any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise dispose of; or
- (d) create or agree to offer to create or permit to be created any Security Interest in,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date of Completion of the Offer and ending on the day following 12 months from Completion of the Offer.

first trading day in Shares on ASX following the public announcement by the Company of its financial results for the financial year ending 31 December 2014.

Escrow Shares means

$$\frac{\$900,000}{\text{Offer Price}}$$

Existing Shares means Shares held by Smart Packages Pte Ltd as at the date of this Deed.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given in section 2 of the ASX Settlement Operating Rules.

New Shares means Shares to be issued by the Company pursuant to the Offer.

Offer means the initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo, and the admission or quotation of those Shares to the quotation system of ASX.

Offer Price means the Offer Price as defined in the Underwriting Agreement between the Company, SaleCo, Macquarie Capital (Australia) Limited (ABN 79 123 199 548) and CIMB Capital Markets (Australia) Limited (ABN 17 000 757 111) dated on or about the date of this deed.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a "security interest" within the meaning of the PPSA.

SaleCo means Smartgroup SaleCo Limited (ACN 168 715 562).

Securities has the meaning given in the ASX Listing Rules.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including, any retention of title; or
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a PPSA Security Interest.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Takeover Bid means a takeover bid for all Shares under Chapter 6 of the Corporations Act.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Offer.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation.

In this deed, unless the context requires another meaning:

- (a) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) a gender includes all genders;

- (iii) a document (including this deed) is a reference to that document as amended, consolidated, supplemented, novated or replaced;
- (iv) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
- (v) a party means a party to this deed;
- (vi) an item, Recital, clause, provision, Schedule or Annexure is to an item, Recital, clause, provision, Schedule or Annexure of or to this deed;
- (vii) a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
- (viii) a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by law or other subordinate legislation;
- (ix) time is to prevailing Sydney time; and
- (x) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) headings and the Recitals are for convenience only and do not affect interpretation of this deed;
- (d) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day;
- (e) a warranty, representation, covenant or obligation given or entered into by more than one person binds them severally but not jointly;
- (f) unless otherwise expressly provided in this deed, if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day;
- (g) "writing" and "written" includes printing, typing and other modes of reproducing words in a visible form including any representation of words in a physical document or in an electronic communication or form or otherwise; and
- (h) the meaning of general words is not limited by specific examples introduced by "including", "for example" or "such as" or similar expressions.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules this deed is deemed not to contain that provision to the extent of the inconsistency.

2 Condition Precedent

The undertakings of the Holder pursuant to this deed are conditional upon Completion of the Offer occurring.

3 Escrow

3.1 Holder restrictions

During the Escrow Period the Holder agrees that it will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Escrow Shares.

3.2 Escrow restrictions

The parties acknowledge and agree that:

- (a) as soon as practicable following the transfer of the Escrow Shares to the Holder on the Completion of the Offer, the Escrow Shares will be registered in and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and

- (c) the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit disposals of the Escrow Shares permitted by this deed; and
 - (ii) in full at the conclusion of the Escrow Period.

3.3 Notice by Holder

If the Holder becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.1 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.1 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3.4 Dividends and voting rights

For the avoidance of doubt, the parties agree that the terms of this deed will have no effect on any rights of the Holder to:

- (a) exercise any voting rights attaching to the Escrow Shares;
- (b) receive or be entitled to any dividend, return of capital or other distribution attaching to the Escrow Shares; and
- (c) receive or participate in any rights or bonus issue in connection with the Escrow Shares.

3.5 Takeovers, mergers and reorganisations

Clause 3.1 will cease to apply to the extent necessary to allow:

- (a) the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that:
 - (i) without limiting clause 3.5(a)(ii), holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have accepted the Takeover Bid; and
 - (ii) the Takeover Bid is unconditional or all conditions to the Takeover Bid have been satisfied or waived;
- (b) the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or
- (c) the Escrow Shares to be transferred or cancelled as part of a Share buyback or other similar reorganisation, a merger being implemented by way of a scheme of arrangement or an acquisition of all Shares which has received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts.

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid, scheme of arrangement or other transaction described in clause 3.5(a), 3.5(b) or 3.5(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this deed (including under clauses 3.1 and 3.2) will continue to apply for the duration of the Escrow Period and without limiting the foregoing, the Holding Lock will be re-applied to all Escrow Shares not so transferred or cancelled.

3.6 Other exceptions

Clause 3.1 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares:

- (a) with the prior written approval of the board of directors of the Company;
or
- (b) pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares to be disposed of or a Security Interest granted over them.

4 Termination

- (a) This deed (other than clause 5 which survives termination) terminates with immediate effect and without the further action of any party at the end of the Escrow Period, provided that this deed will terminate with immediate effect and without the action of any party if Completion of the Offer has not occurred by 2 September 2014.
- (b) Without limiting clause 3.2(c)(i), the Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares as soon as possible following termination of this deed.

5 Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder in favour of the Company:

- (a) as at the date of this deed, unless a later date is specified in clause 5.2;
and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

The Holder warrants and represents the following:

- (a) prior to the Escrow Period it has not done, or omitted to do, any act which would result in a Dealing in Escrow Shares which will take effect during the Escrow Period;
- (b) following Completion of the Offer, the Escrow Shares will be free from all Security Interests and other third party interests or rights (other than a PPSA Security Interest created as a result of this deed);
- (c) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the

Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**);

- (d) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (e) this deed constitutes a legal, valid and binding obligation on it and, subject to any necessary stamping and registration, is enforceable in accordance with its terms; and
- (f) if the Holder is a Trustee:
 - (i) the Trustee is the sole trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust; and
 - (ii) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way; and
 - (iii) the assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over those Trust assets; and
 - (iv) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or settle the Trust; and
- (g) the execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation; or
 - (ii) its constitution or other constituent documents, if any (and, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

5.3 Survival of warranties and representations

The warranties and representations in this clause 5 survive the termination of this deed.

6 Consequences of breaching this deed

- (a) If the Holder breaches this deed or the Company has reasonable grounds to believe that a prospective breach of this deed may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or other Dealing in any Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this deed by the Holder and the Holder

agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligations under this deed, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7 Capacity

If the Holder has entered into this deed as a Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 7 but subject to clause 7(c), the Holder enters into this deed only in its capacity as Trustee of the Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent which it can be satisfied out of the property of the Trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 7(c), a party to this deed may not sue the Holder in any capacity other than as Trustee in respect of the Trust, including seeking the appointment to the Holder of a receiver (except in relation to the property of the Trust), a liquidator, administrator or any similar person; and
- (c) the provisions of this clause 7 will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the Trust's relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's right of indemnification out of the assets of the Trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

8 Notices and other communications

8.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;
- (c) signed by the sender (if an individual) or a person duly authorised by the sender; and
- (d) marked for the attention of the person identified or referred to in the Details or Schedule or, if the recipient has notified otherwise, then marked for attention in the way last notified.

8.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 8.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

8.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details or Schedule; or
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details or Schedule; or
- (c) sent by email to the address set out or referred to in the Details or Schedule; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or email address, then communications must be to that address or email address.

8.4 When effective

Communications take effect from the time they are received or taken to be received under clause 8.5 (whichever happens first) unless a later time is specified.

8.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or
- (b) if sent by email:
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

8.6 Receipt outside business hours

Despite clauses 8.4 and 8.5, if communications are received or taken to be received under clause 8.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

9 General provisions

9.1 Invalid or unenforceable provisions

If a provision of this deed is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or

- (ii) the remaining provisions.

9.2 Waiver and exercise of rights

- (a) A waiver by a party of a provision or a right under this deed is binding on the party granting the waiver only if it is given in writing and is signed by the party or an officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another or further exercise or attempted exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

9.3 Amendment

This deed may be amended only by a document signed by both parties.

9.4 Further assurances

The Holder undertakes to do all things necessary or desirable to effect the transactions contemplated by this deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument necessary or desirable only to the extent necessary to give effect to any of the transactions contemplated by this deed.

9.5 PPSA further steps

If the Company determines that this deed results in the creation of a PPSA Security Interest, the Holder agrees to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;
- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

9.6 Assignment

The Holder must not transfer, assign, create an interest in, or deal in any other way with, any of its rights or obligations under this deed without the prior written consent of the other party.

9.7 Entire agreement

This deed constitutes the entire agreement of the parties about the subject matter of this deed and supersedes any representations, negotiations, arrangements, understandings or agreements and all other communications.

9.8 Remedies

The rights, remedies and powers of the parties under this deed are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

9.9 Inconsistent agreements

If a provision of this deed is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder and any other person, the provision of this deed prevails.

9.10 Successors and assigns

This deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns.

9.11 Approvals and consents

Except where this deed expressly states otherwise, a party or other person referred to in this deed (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this deed.

9.12 Counterparts

This deed may be signed in counterparts and all counterparts taken together constitute one document.

9.13 Governing law

This deed is governed by the laws of New South Wales.

9.14 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives any claim or objection based on absence of jurisdiction or inconvenient forum.

Voluntary Escrow Deed

Schedule - Holder Details

Holder

Name:	Gentilly Holdings 2 Pty Limited as trustee for Carapiet Family Trust
ACN	158 843 728
Incorporated in	Australia
Address	Level 25, 1 Alfred Street Sydney NSW 2000

Voluntary Escrow Deed

Signing page

EXECUTED as a deed

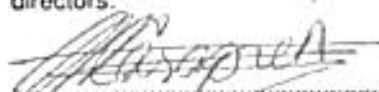
DATED: 13 June 2014

Company

EXECUTED by SMARTGROUP
CORPORATION LTD in accordance
with section 127(1) of the Corporations
Act 2001 (Cwlth) by authority of its
directors:



Andrew Bolam



Signature of director

MICHAEL CARAPET
Name of director (block letters)



Signature of director/company
secretary*

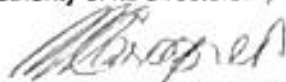
*delete whichever is not applicable

DENDRA BILIMORIA
Name of director/company secretary*
(block letters)

*delete whichever is not applicable

Holder

EXECUTED by GENTILLY HOLDINGS
2 PTY LIMITED AS TRUSTEE FOR
CARAPIET FAMILY TRUST in
accordance with section 127(1) of the
Corporations Act 2001 (Cwlth) by
authority of its directors:


Signature of director

MICHAEL CARAPIET
Name of director (block letters)



Signature of director/company
secretary*

*delete whichever is not applicable

MICHAEL CARAPIET
Name of director/company secretary*
(block letters)

*delete whichever is not applicable

Voluntary Escrow Deed

Dated 13 June 2014

Smartgroup Corporation Ltd (ACN 126 266 831) (**Company**)

The **Holder** whose details are set out in the Schedule

The **Controller** whose details are set out in the Schedule

King & Wood Mallesons
Level 50
Bourke Place
600 Bourke Street
Melbourne VIC 3000
Australia
T +61 3 9643 4000
F +61 3 9643 5999
DX 101 Melbourne
www.kwm.com

Voluntary Escrow Deed

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Voluntary Escrow Deed

Details

Parties	Company, the Holder and the Controller	
Company	Name	Smartgroup Corporation Ltd
	ACN	126 266 831
	Address	Level 8, 133 Castlereagh Street Sydney NSW 2000
	Telephone	+61 2 9119 8332
	Email	tim.looi@smartgroup.com.au
	Attention	Company Secretary
Holder	The Holder whose name and address are set out in the Schedule.	
Controller	The Controller whose name and address are set out in the Schedule.	
Recitals	A	The Company and SaleCo intend to make an initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo. The Company intends to be admitted to the official list of the ASX.
	B	The Holder will hold the Escrow Shares from the date of the Completion of the Offer.
	C	The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this deed.
	D	The Controller undertakes to the Company to hold the Controller Interests pursuant and subject to the terms of this deed.
Governing law	New South Wales	
Date of deed	See signing page	

Voluntary Escrow Deed

General terms

1 Definitions and interpretation

1.1 Definitions

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a business day as defined in the ASX Listing Rules.

Completion of the Offer means the completion of the allotment of Shares pursuant to the Offer.

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

Control means, in respect of a person or an entity, the capacity to determine the outcome of decisions in relation to the financial and operating policies of that person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise (and, without limiting the previous words, a person or an entity is deemed to Control another person or entity if it holds, directly or indirectly, together with other persons or entities it Controls, the beneficial interest in more than 50% of the total voting rights in the other person or entity) and **Controlled** and **Controlling** have corresponding meanings.

Controller Interests means all Securities, substantial economic interests or other interests in the Escrow Shares and each intermediate entity through which that interest occurs.

Deal means:

- (a) sell, assign, transfer or otherwise dispose of;
- (b) agree or offer to sell, assign, transfer or otherwise dispose of;
- (c) enter into any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise dispose of; or
- (d) create or agree to offer to create or permit to be created any Security Interest in,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date on which Completion of the Offer occurs and ending on:

- (b) in relation to Tranche 1, the first trading day in Shares on ASX following the public announcement by the Company of its financial results for the financial year ending 31 December 2014; and
- (c) in relation to Tranche 2, the first trading day in Shares on ASX following the public announcement by the Company of its financial results for the financial year ending 31 December 2015.

Escrow Shares means the Bonus Shares (as defined in the letter agreement entitled "Past bonus to be paid as part of proposed initial public offering" between the Controller and the Company dated 2 June 2014).

Existing Shares means Shares held by Smart Packages Pte Ltd as at the date of this Deed.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given in section 2 of the ASX Settlement Operating Rules.

New Shares means Shares to be issued by the Company pursuant to the Offer.

Offer means the initial public offering of New Shares by the Company and the transfer of Existing Shares by SaleCo, and the admission or quotation of those Shares to the quotation system of ASX.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a "security interest" within the meaning of the PPSA.

SaleCo means Smartgroup SaleCo Ltd (ACN 168 715 562).

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including, any retention of title; or
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a PPSA Security Interest.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Takeover Bid means a takeover bid for all Shares under Chapter 6 of the Corporations Act.

Tranche 1 means 50% of the Escrow Shares.

Tranche 2 means 50% of the Escrow Shares.

Voluntary Escrow Deed means a voluntary escrow deed entered into in connection with the Offer.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation.

In this deed, unless the context requires another meaning:

- (a) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) a gender includes all genders;
 - (iii) a document (including this deed) is a reference to that document as amended, consolidated, supplemented, novated or replaced;
 - (iv) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
 - (v) a party means a party to this deed;
 - (vi) an item, Recital, clause, provision, Schedule or Annexure is to an item, Recital, clause, provision, Schedule or Annexure of or to this deed;
 - (vii) a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
 - (viii) a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
 - (ix) time is to prevailing Sydney time; and
 - (x) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) headings and the Recitals are for convenience only and do not affect interpretation of this deed;
- (d) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day;
- (e) a warranty, representation, covenant or obligation given or entered into by the Holder and the Controller binds them jointly and each of them individually; unless otherwise expressly provided in this deed, if a period

must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day;

- (f) "writing" and "written" includes printing, typing and other modes of reproducing words in a visible form including any representation of words in a physical document or in an electronic communication or form or otherwise; and
- (g) the meaning of general words is not limited by specific examples introduced by "including", "for example" or "such as" or similar expressions.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules this deed is deemed not to contain that provision to the extent of the inconsistency.

2 Condition Precedent

The undertakings of the Holder and the Controller pursuant to this deed are conditional upon Completion of the Offer occurring.

3 Escrow

3.1 Holder restrictions

During the Escrow Period the Holder agrees that it will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Escrow Shares.

3.2 Controller restrictions

During the Escrow Period the Controller agrees that he or she will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Controller Interests.

3.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) as soon as practicable following the transfer of the Escrow Shares to the Holder on the Completion of the Offer, the Escrow Shares will be registered in and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit disposals of the Escrow Shares permitted by this deed; and
 - (ii) in full at the conclusion of the Escrow Period for Tranche 1 and Tranche 2 respectively.

3.4 Notice by Holder

If the Holder becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.1 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.1 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3.5 Notice by Controller

If the Controller becomes aware:

- (a) that any action, event or circumstance referred to in clause 3.2 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 3.2 during the Escrow Period,

he or she must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3.6 Dividends and voting rights

For the avoidance of doubt, the parties agree that the terms of this deed will have no effect on any rights of the Holder to:

- (a) exercise any voting rights attaching to the Escrow Shares;
- (b) receive or be entitled to any dividend, return of capital or other distribution attaching to the Escrow Shares; and
- (c) receive or participate in any rights or bonus issue in connection with the Escrow Shares.

3.7 Takeovers, mergers and reorganisations

Clause 3.1 will cease to apply to the extent necessary to allow:

- (a) the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that:
 - (i) without limiting clause 3.7(a)(ii), holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have accepted the Takeover Bid; and
 - (ii) the Takeover Bid is unconditional or all conditions to the Takeover Bid have been satisfied or waived;
- (b) the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of the Shares that are not subject to a Voluntary Escrow Deed have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or
- (c) the Escrow Shares to be transferred or cancelled as part of a Share buyback or other similar reorganisation, a merger being implemented by way of a scheme of arrangement or an acquisition of all Shares which has received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts,

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid, scheme of arrangement or other transaction described in clause 3.7(a), 3.7(b) or 3.7(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this deed (including under clauses 3.1, 3.2 and 3.3) will continue to apply for the duration of the Escrow Period and without limiting the foregoing, the Holding Lock will be re-applied to all Escrow Shares not so transferred or cancelled.

3.8 Controller reorganisation

Clauses 3.1 and 3.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests to enable the Controller to undertake a reorganisation of his or her affairs, subject to:

- (a) the prior consent of the board of directors of the Company in writing;
- (b) the Controller retaining ultimate control of the Escrow Shares; and
- (c) any new holder of the Escrow Shares or Controller Interests agreeing to be bound by a deed in substantially the same terms as this deed.

3.9 Other exceptions

Clauses 3.1 and 3.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests:

- (a) with the prior written approval of the board of directors of the Company;
- (b) pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares or Controller Interests to be disposed of or a Security Interest granted over them; or
- (c) pursuant to a transfer by the personal representatives of the Controller to whomever the Escrow Shares or Controller Interests have been bequeathed, provided that the transferee of the Escrow Shares or Controller Interests has agreed to be bound by a deed in substantially the same terms as this deed in respect of the Escrow Shares or Controller Interests.

4 Termination

- (a) This deed (other than clause 5 which survives termination) terminates with immediate effect and without the further action of any party at the end of the Escrow Period, provided that this deed will terminate with immediate effect and without the action of any party if Completion of the Offer has not occurred by 2 September 2014.
- (b) Without limiting clause 3.3(c)(i), the Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares as soon as possible following termination of this deed.

5 Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder or the Controller, as applicable, in favour of the Company:

- (a) as at the date of this deed, unless a later date is specified in clause 5.2 or 5.3; and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

The Holder warrants and represents the following:

- (a) prior to the Escrow Period it has not done, or omitted to do, any act which would result in a Dealing in Escrow Shares which will take effect during the Escrow Period;
- (b) following Completion of the Offer, the Escrow Shares will be free from all Security Interests and other third party interests or rights (other than a PPSA Security Interest created as a result of this deed);
- (c) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**));

- (d) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (e) this deed constitutes a legal, valid and binding obligation on it and the Controller, and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (f) if the Holder is a Trustee:
 - (i) the Trustee is the sole trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust; and
 - (ii) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way; and
 - (iii) the assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over those Trust assets; and
 - (iv) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust; and
- (g) the execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation; or
 - (ii) its constitution or other constituent documents, if any (and, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

5.3 Controller warranties and representations

The Controller warrants and represents the following:

- (a) prior to the Escrow Period he or she has not done, or omitted to do, any act which would result in a Dealing in any Controller Interests which will take effect during the Escrow Period;
- (b) the Controller Interests are free from all Security Interests and other third party interests or rights;
- (c) he or she has full power and authority, without the consent of any other person, to enter into and perform his or her obligations under this deed ;
- (d) he or she has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (e) this deed constitutes legal, valid and binding obligations on him or her and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;

- (f) the execution, delivery and performance by the Controller of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation; or
 - (ii) any agreement, undertaking, Security Interest or document which is binding on the Controller.

5.4 Survival of warranties and representations

The warranties and representations in this clause 5 survive the termination of this deed.

6 Consequences of breaching this deed

- (a) If the Holder or the Controller breaches this deed or the Company has reasonable grounds to believe that a prospective breach of this deed may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or other Dealing in any Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this deed by the Holder or the Controller and each of the Holder and the Controller agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's or the Controller (as applicable) obligations under this deed, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7 Capacity

If the Holder has entered into this deed as a Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 7 but subject to clause 7(c), the Holder enters into this deed only in its capacity as Trustee of the Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent which it can be satisfied out of the property of the Trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 7(c), a party to this deed may not sue the Holder in any capacity other than as Trustee in respect of the Trust, including seeking the appointment to the Holder of a receiver (except in relation to the property of the Trust), a liquidator, administrator or any similar person; and
- (c) the provisions of this clause 7 will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the Trust's relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's right of indemnification out of the assets of the Trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

8 Notices and other communications

8.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;
- (c) signed by the sender (if an individual) or a person duly authorised by the sender; and
- (d) marked for the attention of the person identified or referred to in the Details or Schedule or, if the recipient has notified otherwise, then marked for attention in the way last notified.

8.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 8.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

8.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details or Schedule; or
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details or Schedule; or
- (c) sent by email to the address set out or referred to in the Details or Schedule; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or email address, then communications must be to that address or email address.

8.4 When effective

Communications take effect from the time they are received or taken to be received under clause 8.5 (whichever happens first) unless a later time is specified.

8.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or

- (b) if sent by email;
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,
- whichever happens first.

8.6 Receipt outside business hours

Despite clauses 8.4 and 8.5, if communications are received or taken to be received under clause 8.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

9 General provisions

9.1 Invalid or unenforceable provisions

If a provision of this deed is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or
 - (ii) the remaining provisions.

9.2 Waiver and exercise of rights

- (a) A waiver by a party of a provision or a right under this deed is binding on the party granting the waiver only if it is given in writing and is signed by the party or an officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another or further exercise or attempted exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

9.3 Amendment

This deed may be amended only by a document signed by all parties.

9.4 Further assurances

The Holder and the Controller each undertake to, and to procure that all persons under their respective Control, undertakes to do all things necessary or desirable to effect the transactions contemplated by this deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument necessary or desirable only to the extent necessary to give effect to any of the transactions contemplated by this deed.

9.5 PPSA further steps

If the Company determines that this deed results in the creation of a PPSA Security Interest, the Holder and the Controller each agree to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;
- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

9.6 Assignment

Subject to clause 3.8, the Holder and the Controller must not transfer, assign, create an interest in, or deal in any other way with, any of their respective rights or obligations under this deed without the prior written consent of the other parties.

9.7 Entire agreement

This deed constitutes the entire agreement of the parties about the subject matter of this deed and supersedes any representations, negotiations, arrangements, understandings or agreements and all other communications.

9.8 Remedies

The rights, remedies and powers of the parties under this deed are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

9.9 Inconsistent agreements

If a provision of this deed is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder and the Controller, or between the Holder or the Controller and any other person, the provision of this deed prevails.

9.10 Successors and assigns

This deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns and, in the case of the Controller, his or her personal representatives and any trustee, receiver or other person lawfully acting on his or her behalf.

9.11 Approvals and consents

Except where this deed expressly states otherwise, a party or other person referred to in this deed (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this deed.

9.12 Counterparts

This deed may be signed in counterparts and all counterparts taken together constitute one document.

9.13 Governing law

This deed is governed by the laws of New South Wales.

9.14 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives any claim or objection based on absence of jurisdiction or inconvenient forum.

Voluntary Escrow Deed

Schedule - Holder and Controller Details

Holder

Name	Daleeve Trust
Address	339 Military Road, Vaucluse NSW 2030
Copy to	Dave Adler-Demner

Controller

Name	Dave Adler-Demner
Address	339 Military Road, Vaucluse NSW 2030
Attention	Dave Adler-Demner
Copy to	Dave Adler-Demner as trustee for the Daleeve Trust

Voluntary Escrow Deed

Signing page

EXECUTED as a deed

DATED: 13 June 2014

Company

EXECUTED by SMARTGROUP
CORPORATION LTD in accordance
with section 127(1) of the Corporations
Act 2001 (Cwth) by authority of its
directors:


Signature of director

MICHAEL CARAPIET
Name of director (block letters)



Signature of director/company
secretary*

*delete whichever is not applicable

Andrew Bolam

Name of director/company secretary*
(block letters)

*delete whichever is not applicable

Holder

EXECUTED by DAVE ADLER-
DEMNER as trustee for DALEEEVE
TRUST in the presence of:

Signature of witness

YOUSSEF Belmagedant
Name of witness (block letters)

Signature of Dave Adler-Demner

Controller

SIGNED, SEALED AND DELIVERED
by DAVE ADLER-DEMNER in the
presence of:

Signature of witness

YOUSSEF Belmagedant
Name of witness (block letters)

Signature of Dave Adler-Demner