



ASX Announcement

Smartgroup Corporation Ltd (SIQ) - Smartgroup Share Purchase Plan

Release date: 15 August 2016

Further to an announcement made by Smartgroup Corporation Ltd (“**Smartgroup**”) on Monday, 25 July 2016, pursuant to Listing Rule 3.17.1, attached are the following documents relating to Smartgroup’s share purchase plan (“**SPP**”):

- Chairman’s letter; and
- SPP Offer Booklet (including the SPP Terms and Conditions).

The above documents will be dispatched to eligible Smartgroup shareholders today.

The SPP is open to all of Smartgroup’s shareholders who were on Smartgroup’s share register as holders of fully paid ordinary shares in Smartgroup as at 7:00pm on Friday, 22 July 2016 (“**Record Date**”) and whose registered address is in Australia or New Zealand, subject to the SPP Terms and Conditions. Please refer to the SPP Offer Booklet for further information.

The SPP opens today and closes at 5:00pm (Sydney time) on Wednesday, 31 August 2016.

For further information contact:

Amanda Morgan
General Counsel and Company Secretary
Smartgroup Corporation Ltd
Telephone: 0413 602 112

Tim Looi
Chief Financial Officer
Smartgroup Corporation Ltd
Telephone: 0408 409 513

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This announcement is not financial product or investment advice, a recommendation to acquire new shares or accounting, legal or tax advice. It has been prepared without taking into account the objectives, financial or tax situations or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek appropriate legal and taxation advice.



Smartgroup Share Purchase Plan

Monday, 15 August 2016

Dear Shareholder,

On Tuesday, 26 July 2016, Smartgroup Corporation Ltd (**Smartgroup**) announced to Australian Securities Exchange (**ASX**) that it had successfully raised approximately \$54 million from an institutional placement of approximately 7.65 million Smartgroup fully paid ordinary shares (**Shares**) to new and existing investors at an issue price of \$7.00 per Share (**Placement**), representing a premium of 6.9% to the closing Share price on Friday, 22 July 2016 of \$6.55.

The Board recognises that a number of Smartgroup's loyal shareholders did not have an opportunity to participate in the Placement. Therefore on behalf of the Board, I am pleased to offer you the opportunity to participate in the Smartgroup Share Purchase Plan (**SPP**). The SPP provides you with the ability to acquire Shares for a total subscription price of up to \$15,000 on the terms and conditions set out in this booklet (**SPP Booklet**) (**SPP Terms and Conditions**).

Acquisition of Selectus Pty Ltd and use of SPP proceeds

On Monday, 25 July 2016, Smartgroup announced that it had entered into an agreement to acquire Selectus Pty Ltd (**Selectus**) (the **Selectus Acquisition**), the largest national, privately owned salary packaging and novated leasing business in Australia. Selectus, based in Melbourne, manages over 13,000 vehicles across Australia. Selectus recorded revenue¹ of \$31.6 million and EBITDA¹ of \$14.0 million in FY2016, representing growth of 12.5% and 20.7% on the prior year, respectively. The acquisition will add another strong brand to Smartgroup's salary packaging business and provide exposure to the rebatable segment, a segment not currently serviced by Smartgroup.

The SPP is being undertaken to raise incremental proceeds for general corporate purposes and to provide existing shareholders who were unable to participate in the Placement with an opportunity to subscribe for Shares on terms at least as favourable as the Placement. For further information on the Placement and the Selectus Acquisition, please refer to the investor presentation issued by Smartgroup on Monday, 25 July 2016. In particular, please have regard to the important notices and key risk sections of the investor presentation.

The net proceeds of the SPP will be used to repay debt associated with the Selectus Acquisition in order to reduce Smartgroup's gearing and increase its financial flexibility.

¹ Pro forma normalised and unaudited. Pro forma normalised figures have been adjusted to: (i) exclude items that are considered to be non-recurring in nature; and (ii) include the full year impact of arrangements which were in place for part of a year. Refer to Smartgroup's investor presentation released on ASX on 25 July 2016 for more detailed information on the Selectus acquisition.

Share Purchase Plan

The SPP provides each eligible Shareholder with an opportunity to acquire up to \$15,000 worth of Shares (subject to any scale-back at Smartgroup's absolute discretion), without paying any brokerage fees, commissions or other transaction costs at the lower of:

- (i) \$7.00 per Share, being the same issue price paid by investors under the Placement; and
- (ii) the volume weighted average price of Smartgroup's Shares as traded on ASX during the five trading days immediately prior to and including the date the Offer closes (**Issue Price**).

Participation in the SPP is optional.

Full details of the SPP, including the associated terms and conditions, and how to participate are set out in the SPP Booklet. I encourage you to read this SPP Booklet carefully and in its entirety before making a decision on whether to participate in the SPP. This SPP Booklet is not financial advice, and has been prepared without taking into account the objectives, financial situation or the needs of individuals. Before making an investment decision, you should consider the appropriateness of the information having regard to your own objectives, financial situation and needs and seek such legal, financial and/or taxation advice as necessary or appropriate. A cooling-off regime does not apply in relation to the acquisition of Shares under the SPP.

If you have any questions in relation to the SPP, please call Smartgroup's share registry, Link Market Services Limited, between 8.30am and 5.00pm Monday to Friday on 1300 880 732 (within Australia) or +61 1300 880 732 (outside Australia).

On behalf of the Board of Smartgroup, I thank you for your continued support.

Yours sincerely,



Michael Carapiet
Chairman

Smartgroup Corporation Ltd

Summary of the SPP Offer

1. The SPP

The SPP provides each eligible Shareholder with an opportunity to acquire Shares (subject to any scale-back at Smartgroup's absolute discretion), without paying any brokerage fees, commissions or other transaction costs, at the Issue Price for total application monies not exceeding \$15,000 worth of Shares.

2. Eligible Shareholder

An eligible Shareholder who may participate in the SPP is a registered holder of Shares at 7.00pm (Sydney time) on Friday, 22 July 2016 with a registered address on the register in Australia or New Zealand. Shareholders who hold Shares on behalf of persons who reside outside Australia or New Zealand, are in the United States, or acting for the account or benefit of a person in the United States are not entitled to participate in the SPP on behalf of those persons.

Smartgroup will not issue new Shares to an applicant if those Shares, either alone or in conjunction with the issue of Shares under other applications received by Smartgroup, would contravene any law or the ASX Listing Rules.

3. Treatment of custodians, trustees and nominees

Please refer to Section 1(g) in the SPP Terms and Conditions for information on eligibility for custodian, trustee and nominee Shareholders.

4. Timetable

Event	Date
Record Date	7.00pm (Sydney time), Friday, 22 July 2016
SPP offer opens	10.00am (Sydney time), Monday, 15 August 2016
Smartgroup announces 1H CY16 results	Wednesday, 24 August 2016
SPP Pricing Period	Thursday, 25 August 2016 to Wednesday, 31 August 2016
SPP offer closes	5.00pm (Sydney time), Wednesday, 31 August 2016
Issue date	Thursday, 8 September 2016
Expected quotation of new Shares on ASX	Friday, 9 September 2016
Dispatch of holding statements	Monday, 12 September 2016

This timetable is indicative only, and subject to change. Smartgroup reserves the right to alter the above dates at its discretion and without notice to you, subject to the ASX Listing Rules and the *Corporations Act 2001* (Cth) (**Corporations Act**), even if the offer has opened, or BPAY® or Application Forms have been received.

5. Maximum Investment

You may apply for Shares under the SPP up to a maximum subscription amount of \$15,000 at the Issue Price. You may apply to acquire parcels of \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, or \$15,000 worth of Shares at the Issue Price. Smartgroup has the absolute discretion to scale-back

applications. Should this happen, the balance of any application monies that are not applied to acquire new Shares under the SPP will be refunded to you, without interest except where the amount is less than \$1.00 in which instance it will be donated to charity.

6. Issue Price

The **Issue Price** will be the lower of:

- \$7.00 per Share, which represents the price at which shares were issued to investors under the Placement, and which is a 6.9% premium to the closing price of Smartgroup Shares of \$6.55 on Friday, 22 July 2016 prior to Smartgroup entering a trading halt, announcing the Selectus Acquisition and conducting the Placement on Monday, 25 July 2016; and
- the price which is the volume weighted average price of Smartgroup Shares traded on ASX for the 5 business day period commencing on Thursday, 25 August 2016 and ending on Wednesday, 31 August 2016 (the last 5 trading days of the SPP offer period).

7. Ranking of SPP Shares

New Shares issued as part of the SPP will rank equally in all respects with existing Shares quoted on the ASX, with the same voting rights, dividend rights and other entitlements from the date of issue.

As new Shares under the SPP will be issued before the record date for Smartgroup's 1HCY16 dividend, new Shares will be entitled to any dividend declared in relation to Smartgroup's 1HCY16 results.

8. Costs

No brokerage, commissions or other transaction costs are payable by eligible Shareholders in relation to the application for, and the issue of, Shares under the SPP.

9. SPP Participation

Participation in the SPP is optional. If you do not wish to participate in the SPP, no action is required on your part. The offer under the SPP is non-renounceable. This means you cannot transfer your right to purchase Shares under the SPP to anyone else.

10. Application Form

Eligible Shareholders who receive more than one Application Form under the SPP, for example, because they hold Shares in more than one capacity, may apply on different Application Forms for Shares but may not apply for Shares with an aggregate dollar amount exceeding \$15,000.

11. Refunds

Refunds pursuant to the SPP may be paid under various circumstances. For example, if applications are made incorrectly the entire payment may be refunded, or if allocations are scaled-back a partial refund may be made. If a refund is made, payment will be made in the same manner that Smartgroup's dividends are paid. This may be either by direct deposit to a bank account or by cheque, according to your instructions held by Smartgroup's registry, Link Market Services Limited, at the time the payment is made. You can change your payment instructions by calling Link Market Services Limited on 1300 880 732 (within Australia) or +61 1300 880 732 (outside Australia).

Refunds will be made as soon as practical after the SPP closes.

12. How to apply*Option 1: Pay by BPAY®*

You can make a payment by BPAY®. To do this, you must follow the instructions and use the Reference Number shown on the Application Form. If you make your payment with BPAY® you do not need to return your Application Form. You will not be able to withdraw or revoke your application or BPAY® payment once you have submitted it or made it or change the amount of Shares you have applied for.

Option 2: Use the enclosed Application Form

You can complete the Application Form, attach a cheque, bank draft or money order and submit your application in accordance with the instructions on the Application Form. Cheques, bank drafts and money orders should be made payable to "Smartgroup Share Purchase Plan" and crossed "Not Negotiable".

Payments must be made in Australian dollars.

Application Forms together with application monies equal to the number of Shares you wish to acquire should be submitted in the reply paid envelope enclosed to:

Smartgroup Corporation Ltd
C/-Link Market Services Limited
GPO Box 3560
Sydney, NSW 2001

All payments and applications must be received no later than 5.00pm (Sydney time) on Wednesday, 31 August 2016.

SPP Terms and Conditions

Important Notice

The offer to purchase Shares under the SPP is not a recommendation to acquire Shares. If you are in any doubt about the SPP, you should consider obtaining professional financial and/or taxation advice to assist you in determining whether or not and the extent to which you wish to participate in the SPP (taking into account your own financial situation, needs and objectives). Nothing in the SPP Terms and Conditions, the Application Form or any other accompanying documentation constitutes investment or financial product advice or is intended to influence your decision whether or not to participate in the SPP.

If you apply to participate in the SPP by making a BPAY® payment or completing and returning the Application Form with a cheque, bank draft or money order, you are accepting the risk that the market price of the Shares may change. This means it is possible that, between the time you make your application and up to or after the issue date, you may be able to buy Shares at a lower price than the Issue Price. No cooling-off regime applies in relation to the acquisition of Shares under the SPP.

1. Eligible Shareholders

- (a) Subject to clauses 1(c) to 1(j), all persons registered as holders of fully paid ordinary Shares in Smartgroup at 7.00pm (Sydney time) on Friday, 22 July 2016 (**Record Date**), whose registered address on the register is in Australia or New Zealand may participate in the SPP (**Eligible Shareholders**). Smartgroup has determined that it is not practical for holders of Shares with registered addresses in other jurisdictions to participate in the SPP.
- (b) Directors, officers and employees of Smartgroup, who hold Shares may be Eligible Shareholders.
- (c) Shareholders who hold Shares on behalf of persons who reside outside Australia or New Zealand, are in the United States, or are acting for the account or benefit of a person in the United States are not entitled to participate in the SPP on behalf of those persons. A trustee, nominee or custodian must not participate in the SPP on behalf of, nor distribute this document or any other document relating to the SPP to, any person in the United States. The Shares to be issued under this SPP have not been and will not be registered under the *United States Securities Act of 1933*, as amended (**U.S. Securities Act**), or the securities laws of any state or other jurisdiction of the United States. Accordingly, Shareholders who are located in the United States or are acting for the account or benefit of a person in the United States are not Eligible Shareholders entitled to participate in the SPP.
- (d) In accordance with relevant New Zealand securities law, a person who on the Record Date was registered as a holder of Shares with a New Zealand address but who, at the time of this offer, no longer holds Shares is not eligible to participate in the SPP. The Offer is being made to Eligible Shareholders with a registered address in New Zealand pursuant to the *Securities Act (Overseas Companies) Exemption Notice 2013*.
- (e) To the extent that you hold Shares on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that any application complies with all applicable foreign laws. You must not distribute any documents relating to the SPP to any person in the United States. Consistent with the representations, warranties and acknowledgements contained in clause 4 and the Application Form included with these SPP

Terms and Conditions, you may not submit any completed Application Forms for any person in the United States or who is acting for the account or benefit of a person in the United States. Failure to comply with these restrictions may result in violations of applicable securities laws.

- (f) Shareholders who are joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder, and the certification under clause 4(a)(v) by one joint holder will be effective in respect of the other joint holder(s).
- (g) If you are a custodian (as defined in Australian Securities and Investments Commission (**ASIC**) Class Order CO 09/425), you may apply for Shares with a total subscription price of up to \$15,000 for each beneficiary subject to you annexing to your Application Form a certificate addressed to Smartgroup with the following information:
 - (i) confirmation of either or both of the following:
 - (A) that you hold Shares on behalf of one or more other persons (each a **participating beneficiary**) that are not custodians; or
 - (B) that another custodian (**downstream custodian**) holds beneficial interests in Shares on behalf of one or more other persons (each a **participating beneficiary**), and you hold the Shares to which those beneficial interests relate on behalf of the downstream custodian or another custodian;
 - (ii) confirmation that each participating beneficiary has subsequently instructed the following persons:
 - (A) where paragraph 1(g)(i)(A) above applies – you; or
 - (B) where paragraph 1(g)(i)(B) above applies – the downstream custodian,
to apply Shares on their behalf under the SPP;
 - (iii) the number of participating beneficiaries and their names and addresses;
 - (iv) in respect of each participating beneficiary:
 - (A) where paragraph 1(g)(i)(A) above applies – the number of Shares that you hold on their behalf; or
 - (B) where paragraph 1(g)(i)(B) above applies – the number of Shares to which the beneficial interests relate;
 - (v) in respect of each participating beneficiary:
 - (A) where paragraph 1(g)(i)(A) above applies – the number or the dollar amount of Shares they have instructed you to apply for on their behalf; or
 - (B) where paragraph 1(g)(i)(B) above applies – the number or the dollar amount of Shares they have instructed the downstream custodian to apply for on their behalf;
 - (vi) confirming that there are no participating beneficiaries in respect of which the total of the application monies for the following exceeds \$15,000:

- (A) the Shares applied for by you under the SPP in accordance with the instructions referred to in 1(g)(v) above; and
 - (B) any other Shares issued to you in the 12 months before the application as a result of an instruction given by them to you or the downstream custodian to apply for Shares on their behalf under an arrangement similar to the SPP;
- (vii) confirmation that a copy of these SPP Terms and Conditions was given to each participating beneficiary; and
- (viii) where paragraph 1(g)(i)(B) above applies – the name and address of each custodian who holds beneficial interests in Shares held by you in relation to each participating beneficiary (**Custodian Certificate**).
- (h) If you hold Shares as a trustee or nominee for another person, but are not a custodian as defined in ASIC Class Order CO 09/425, you cannot participate for beneficiaries in the manner described above. In this case, the rules in clause 3(b) apply.
- (i) Custodians wishing to participate on behalf of a beneficiary or beneficiaries must provide the certifications required by ASIC Class Order CO 09/425 and should contact the registry on the Offer Information Line to request a Custodian Certificate that contains these certifications and other details required to be provided by the Custodian.
- (j) If you are an Eligible Shareholder, your rights under this offer are personal to you and are non-renounceable, which means you cannot transfer your rights to another person.

2. Nature of offer

- (a) The offer is non-renounceable and Shares may be issued under the SPP only to the Eligible Shareholder to whom they are offered.
- (b) The offer will be made on the same terms and conditions to each Eligible Shareholder, irrespective of the number of Shares which they hold on the Record Date.

3. Applying for Shares

- (a) Participation in the SPP is optional. Please refer to Section 5 of the Summary of the SPP Offer for details regarding the permitted subscription amount. If you are an Eligible Shareholder and wish to participate in the SPP, you must follow the instructions on the Application Form and:
 - (i) make payment by BPAY® equivalent to the dollar amount of the parcel of Shares you wish to apply for (including providing the unique identification number provided to you for the purposes of the SPP only) (**Electronic Application**); or
 - (ii) complete the Application Form and provide a cheque, bank draft or money order made payable to "Smartgroup Share Purchase Plan" and crossed "Not Negotiable". Payments must be made in Australian dollars. Please ensure that sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received (**Written Application**), so that it is received by the registry by 5.00pm (Sydney time) on Wednesday, 31 August 2016 (the **Closing Date**). Payments must be in Australian dollars.

If Smartgroup receives an amount that is not equal to \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, or \$15,000, Smartgroup will round down the dollar amount of Shares that you are applying for to the next lowest parcel. If Smartgroup receives less than \$2,500, Smartgroup may reject your application and refund your application monies that are not used to purchase Shares, without interest, as soon as practicable following the issue of Shares.

The number of Shares issued will be determined by dividing the valid application amount by the Issue Price (subject to scale-back). If this produces a fractional number, the number of Shares issued will be rounded down to the nearest whole number of Shares

If you make an Electronic Application, in applying for Shares, you represent to Smartgroup that the total of the application monies made for the following does not exceed \$15,000:

- (iii) the Shares the subject of the application;
 - (iv) any other shares in the class applied for under the SPP or any shares in the class issued under a similar arrangement in the 12 months before the application;
 - (v) any other shares in the class which you have instructed a custodian to acquire on your behalf under the SPP; and
 - (vi) any other shares in the class issued to a custodian under an arrangement similar to the SPP in the 12 months before the application as a result of an instruction given by you to the custodian or another custodian and which resulted in you holding beneficial interests in the shares, noting that Smartgroup has not conducted a similar arrangement in the preceding 12 months.
- (b) Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity) may apply on different Application Forms for Shares but may not apply for Shares with an aggregate dollar amount of more than \$15,000.
- (c) Smartgroup may accept or reject your application for Shares at its discretion. Smartgroup may reject your application in the following circumstances (among others):
- (i) your Application Form is incorrectly completed, incomplete or otherwise determined by Smartgroup to be invalid;
 - (ii) you have applied for Shares with total application monies of less than \$2,500;
 - (iii) your cheque is dishonoured or the cheque, bank draft or money order that you enclose with your Application Form is not made out for the amount corresponding to the value of the parcel of Shares you have applied for;
 - (iv) your BPAY® payment is incomplete or invalid;
 - (v) it appears that you are applying to acquire Shares with aggregate application monies in excess of \$15,000;
 - (vi) you are a custodian and you have not provided the required Custodian Certificate;
 - (vii) your Application Form or BPAY® payment is received after the Closing Date. Late payments will be refunded, without interest, as soon as practicable following the issue of Shares; or

(viii) Smartgroup believes you are not an Eligible Shareholder (subject to compliance with any applicable ASIC or ASX Limited (**ASX**) requirements).

(d) References in this SPP Booklet to \$ should be read as Australian dollars.

4. Effect of Making an Application

(a) If you make an Electronic Application or Written Application, by making that Electronic Application or Written Application:

(i) you have read and accepted these SPP Terms and Conditions in full and you declare that all details and statements in your Application Form are true and complete and not misleading;

(ii) you acknowledge that you are an Eligible Shareholder using the unique identifier provided to you for purposes of the SPP only;

(iii) you irrevocably and unconditionally agree to these SPP Terms and Conditions and the terms of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;

(iv) you acknowledge your application is irrevocable and unconditional and cannot be varied;

(v) you certify that the total of the application monies for the following does not exceed \$15,000:

(A) the Shares the subject of your application;

(B) any other shares in the class you applied for under the SPP or any shares in the class issued under a similar arrangement in the 12 months before the application;

(C) any other shares in the class which you have instructed a custodian to acquire on your behalf under the SPP; and

(D) any other shares in the class issued to a custodian under an arrangement similar to the SPP in the 12 months before the application as a result of an instruction given by you to the custodian or another custodian and which resulted in you holding beneficial interests in the shares.

(vi) you, and each person for whose account or benefit you are acting, are not in the United States and you are not acting for the account or benefit of a person in the United States;

(vii) you acknowledge that the Shares have not, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly, the Shares may not be offered, sold or resold in the United States;

(viii) you represent that you have not, and you agree that you will not, send any materials relating to the SPP to any person in the United States; or to any person acting for the account or benefit of a person in the United States;

- (ix) you accept the risk associated with any refund that may be dispatched to your address or to your nominated bank account as shown on the Smartgroup register;
 - (x) you are responsible for any dishonour fees or other costs Smartgroup may incur in presenting a cheque for payment that is dishonoured;
 - (xi) you acknowledge that no interest will be paid on any application monies held pending the issue of the Shares or subsequently returned to you for any reason;
 - (xii) you acknowledge that you have not been provided with investment advice or financial product advice by Smartgroup or the registry and that neither of them has any obligation to provide this advice in relation to your consideration as to whether or not to participate in the SPP; and
 - (xiii) you acknowledge that Smartgroup is not liable for any exercise of its discretions referred to in these SPP Terms and Conditions.
- (b) In addition, if you make a Written Application, by making that Written Application:
- (i) you authorise Smartgroup to correct minor errors in your Application Form and to complete the Application Form by inserting any missing minor detail; and
 - (ii) you acknowledge that Smartgroup may determine that your Application Form is valid, in accordance with these SPP Terms and Conditions, even if the Application Form is incomplete, contains errors or is otherwise defective.

5. Price of Shares under the SPP

- (a) Please refer to Section 6 of the Summary of the SPP Offer for details of the Issue Price.
- (b) You agree to pay the Issue Price per Share for the number of Shares calculated under clause 3(a) and, if there is a Scale-back (as defined below), the number of Shares calculated under clause 7.
- (c) You acknowledge the risk that the market price of Shares may change (i.e. rise or fall) between the date of this offer and the date the Shares are issued to you under the SPP (**Issue Date**) which may mean that the Issue Price you pay for the Shares may exceed or be less than the market price of the Shares on the Issue Date.

6. Ranking of Shares

Shares issued under the SPP will rank equally in all respects with existing Shares quoted on the ASX, with the same voting rights, dividend rights and other entitlements.

As new Shares under the SPP will be issued before the record date for Smartgroup's 1HCY16 dividend, new Shares will be entitled to any dividend declared in relation to Smartgroup's 1HCY16 results.

7. Scale-back

- (a) Smartgroup may in its absolute discretion allocate to you less than the number of Shares you have applied for (**Scale-back**). If there is a Scale-back, Smartgroup may in its absolute discretion determine to apply the Scale-back to the extent and in the manner that it sees fit.
- (b) If there is a Scale-back, you may receive less than the parcel of Shares for which you applied. If a Scale-back produces a fractional number of Shares when applied to your parcel, the number of new Shares you will be allocated will be rounded down to the nearest whole number of new Shares.
- (c) In the event of a Scale-back, the difference between the application monies received, and the number of new Shares allocated to you multiplied by the Issue Price, will be refunded to you in the same manner as your Smartgroup dividends are paid to you.

8. Costs of Participation

Please refer to Section 8 of the Summary of the SPP Offer for the costs of the SPP.

9. Timetable

Please refer to Section 4 of the Summary of the SPP Offer for the timetable of the SPP.

10. Compliance

The offer of Shares under the SPP is made pursuant to ASIC Class Order CO 09/425 (as amended) and in accordance with ASIC Regulatory Guide 125, the ASX Listing Rules and the *Securities Act (Overseas Companies) Exemption Notice 2013*.

11. Dispute Resolution

Smartgroup may settle in any manner it thinks fit, any difficulties, anomalies or disputes that may arise in connection with or by reason of the operation of the SPP and the decision of Smartgroup will be conclusive and binding on all participants and other persons to whom the determination relates.

12. Waiver, amendment, suspension and withdrawal

Smartgroup may, at its discretion, waive compliance with any provision of these SPP Terms and Conditions, amend or vary these SPP Terms and Conditions, or suspend or withdraw the offer at any time. Any such waiver, amendment, variation, suspension or withdrawal will be binding on all Eligible Shareholders even where Smartgroup does not notify you of the event.

13. No Underwriting

The SPP will not be underwritten.

14. Governing Law

These SPP Terms and Conditions are governed by the laws in force in New South Wales.

15. Privacy Policy

- (a) Chapter 2C of the Corporations Act requires information about you as a Shareholder (including your name, address and details of the Shares you hold) to be included in the public register of the entity in which you hold Shares. This information must continue to be included in the public register if you cease to be a Shareholder. The *Privacy Amendment (Private Sector) Act 2000* (Cth) does not alter these statutory obligations.
- (b) Smartgroup and Link Market Services Limited may collect personal information to process your application and implement the SPP, and to administer your shareholding.
- (c) The personal information contained on the Smartgroup register is also used to facilitate payments and corporate communications (including financial results, annual reports and other information to be communicated to Shareholders) and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act.
- (d) The personal information we collect may include your name, address, other contact details, bank account details and details of your Smartgroup shareholdings.
- (e) Shareholders who are individuals and the other individuals in respect of whom personal information is collected, as outlined above, have certain rights to access, correct or update the personal information held about them, subject to some exceptions allowed by law. Such individuals should contact Link Market Services Limited by email capitalmarkets@linkmarketservices.com.au in the first instance if they wish to request access to that personal information. Reasons will be given if access is denied.
- (f) Your personal information may be disclosed to joint investors, registry, to securities brokers, to third party service providers (including print and mail service providers, technology providers, and professional advisers), to related entities of Smartgroup and each of their agents and contractors, and to ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom we will disclose your personal information may be located overseas.
- (g) The main consequence of not providing the personal information outlined in clauses 15(a) to 15(d) above would be that Smartgroup may be hindered in, or prevented from, processing your application, and from conducting and implementing the SPP.
- (h) Link Market Service Limited's privacy policy is available on their website: www.linkmarketservices.com.au.

16. Other Terms and Conditions

Shareholders will be bound by the constitution of Smartgroup and these SPP Terms and Conditions by accepting the offer to acquire Shares under the SPP.

Corporate Directory

Directors

Michael Carapiet

Gavin Bell

John Prendiville

Andrew Bolam

Deven Billimoria

Ian Watt

Deborah Homewood

Company Secretary

Amanda Morgan

Principal registered office in Australia

Level 8, 133 Castlereagh St

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Security exchange listings

Smartgroup Corporation Ltd Shares are listed on the ASX.

Website address

www.smartgroup.com.au

Share registry

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