FLEXIGROUP

25 February 2019

Australian Stock Exchange
20 Bridge Street
Sydney NSW 2000

Attention: Isabella Wong – Adviser, Listings Compliance
Email: isabella.wong@asx.com.au
ListingsComplianceSydney@asx.com.au

Dear Ms Wong

FlexiGroup Limited ("FXL")

We refer to your letter dated 20 February 2019 in relation to FXL ("**Your Letter**").

Unless already defined or the context requires otherwise, capitalised terms used in this letter have the meanings given to them in Your Letter.

By way of background, we note the following:

- Flexirent Capital Pty Limited ABN 93 064 046 046 ("**Flexirent**") (a subsidiary of FXL) and VM entered into a Principal & Agency Agreement dated 8 September 2017 ("**P&A**"); and
- pursuant to the P&A:
  - Flexirent appointed VM as its non-exclusive, undisclosed agent for the purposes of, and upon the terms of, the P&A. VM's agency rights under the P&A are limited, and other than in respect of those limited rights, VM does / did not act as Flexirent's agent; and
  - VM may submit "Transaction Proposals" to Flexirent for Flexirent's consideration regarding funding the purchase of goods and services supplied to third party commercial customers via "Rental Agreements". Transaction Proposals were approved / rejected by Flexirent at its discretion.

We provide responses below to the questions raised in Your Letter.

1. ***Does FXL consider the statements in the Impairment Announcement reproduced above at paragraph D to be information which a reasonable person would expect to have a material impact on the price or value of FXL's securities? If the answer this question is "no", please advise the basis for that view.***

   Yes. FXL believes the totality of the matters included in the Impairment Announcement (comprising the VM impairment, the slower than budgeted growth in the FXL AU cards business, and the slower than expected improvement in arrears in the FXL AU cards business) would be information which a reasonable person would expect to have a material impact on the price or value of FXL's securities. In forming this view, FXL had taken account of Guidance Note 8 in relation to earnings guidance.

2. ***Please outline the process (including when each step in the process occurred) that led to FXL's decision to make the impairment referred to in the Impairment Announcement.***

   Over the course of the fourth quarter of calendar year 2018, and in January 2019, the Board had been receiving updates from management on the progress of matters relating to the arrangements with VM, and with the relevant commercial customers. These matters included:

   i. pursuant to the P&A, Flexirent has the contractual right (in certain circumstances) to require VM to repurchase (from Flexirent) all of the underlying Rental Agreements (including the relevant equipment) with the commercial customers. In the evolving circumstances, Flexirent's rights to require such repurchase was triggered, with the theoretical outcome being Flexirent could be "reimbursed" by VM and thus would be at no loss;
   ii. FXL remains of the view that the Rental Agreements are valid and enforceable against the underlying commercial customers. A Flexirent / VM complaint is currently being considered for determination by AFCA, the outcome of which will be influential in understanding whether the Rental Agreements are

valid and enforceable ("**Lead Complaint**"). A decision in the Lead Complaint is expected in February / March 2019. Approximately 10% of the Flexirent / VM portfolio are subject to complaints with AFCA. Flexirent is not permitted to enforce against such commercial customers until the relevant complaint process is finalised. While Flexirent is permitted to enforce against 90% of the portfolio, it has volunteered a temporary moratorium on the payments due under the Rental Agreements until a determination is made in the Lead Complaint. Flexirent has reserved its rights as to how to proceed with the Flexirent / VM portfolio. In the interim, FXL is in joint (and ongoing) discussion with the other affected financiers and a primary industry body (Australian Finance Industry Association ("**AFIA**")), as we explore settlement options with AFCA;

iii. the progress of a number of initiatives management were investigating to replace the advertising content previously provided as part of the VM arrangements with the relevant commercial customers ("**Advertising Initiatives**"), including the cost and timing of the introduction of the Advertising Initiatives; and the willingness of the relevant commercial customers to accept the Advertising Initiatives. FXL was undertaking this consideration notwithstanding it had not been involved with the Scheme nor at any point had any obligation to provide these services to the relevant commercial customers;

iv. While the development of the concept for the Advertising Initiatives had been progressing well over the period from late October with a proposed provider, the detail of the costing to deliver the Advertising Initiatives had been slower to determine. In mid-late January FXL received a formal quote from the proposed provider outlining the costs which FXL would need to incur to deliver the infrastructure to support the Advertising Initiatives. (These costs were in excess of $1m and did not include the provision of advertising content.) In addition, it was made clear to FXL that the proposed provider was of the view the Advertising Initiatives would be supportable for only approximately 60% of the relevant commercial customers. In mid-late January, after a series of surveys of relevant commercial customers, it became apparent the Advertising Initiatives would only be potentially attractive to the relevant commercial customers if a "like for like" offer to the Scheme was offered with a full rebate of the relevant costs paid to the customers. On the basis of this information management determined the Advertising Initiatives would not be progressed as they would not provide an appropriate return to FXL;

v. The Board had been made aware of the items outlined in items i, ii and iii above over the course of the period from mid October 2018;

vi. At the Board meeting on 24 January the Board was advised of the matters outlined in item iv above, and provided with an update on the discussions with AFCA, and on initial interactions on 16 January between FXL and the Australian Securities and Investments Commission and the Australian Competition and Consumer Commission. The Board were also updated at that meeting as to the performance of the portfolio (with approximately 81% of the portfolio in arrears), and the ongoing contributions being made by approximately 23% the relevant commercial customers. At the 24 January Board meeting there was discussion on FXL's rights, obligations and approach to provision for the exposure to VM, given Flexirent's right to enforce the underlying contracts, and the ongoing discussions with regulators and AFCA. Management were requested to undertake further analysis of all these factors for the Board's further consideration.

These updates were provided on a number of occasions including at the 15 November Board meeting, the 27 November Board RCC meeting, the 24 January Board meeting, two Board meetings on 4 February, through emails from the CEO, and through telephone calls with the CEO and the Chair (and other directors from time to time) over the period from October to 4 February, when the Board met and determined, notwithstanding FXL's ongoing belief in Flexirent's legal rights to ultimately enforce the underlying contractual arrangements against at least 90% of the relevant commercial customers, to provision for the full amount of FXL's exposure and associated costs, being the impairment referred to in the Impairment Announcement.

3. ***Is the "equipment finance vendor program partner" that entered into "voluntary liquidation" referred to in the Impairment Announcement either VM and / or TSN?***

The reference to the "equipment finance vendor program partner" in the Impairment Announcement is a reference to VM (not TSN).

4. ***If the answer to question 3:***

a. ***includes VM:***

i. ***When did VM enter into a commercial arrangement with FXL to provide finance to its***

customers to participate in the Scheme?

VM and FXL did not enter into a commercial agreement to provide finance to VM's customers to participate in the Scheme. As noted above, Flexirent (a subsidiary of FXL) and VM entered into the P&A. The Scheme did not relate to the sale of equipment, rather related to the rental of equipment pursuant to a Rental Agreement between Flexirent (as the undisclosed principal pursuant to the P&A) and the relevant customer.

ii. ***Please provide a copy of the contractual documentation for that arrangement between FXL and VM (this is not for release to the market).***

Please see the P&A marked as *Attachment 1*.

iii. ***When did FXL become aware that liquidators had been appointed to VM?***

FXL became aware on 25 January 2019 that liquidators had been appointed to VM.

iv. ***What revenue did FXL derive from the arrangement with VM since its inception?***
FXL has received approximately $1,544,100.00 in revenue from the arrangement with VM since its inception to 20 February 2019.

v. ***What revenue did FXL budget to receive from the arrangement with VM for the balance of the financial year ended 30 June 2019?***
FXL's approach to budget process is at a total portfolio level rather than a program or individual contract level. As at September 2018, VM was a performing program with little arrears. FXL's portfolio level forecast for the financial year has been adjusted for both the provision and the lower earning receivables.

b. ***includes TSN / Jasdav:***

i. ***When did TSN enter into a commercial arrangement with FXL to provide finance to its customers to participate in the Scheme?***

Not Applicable.

ii. ***Please provide a copy of the contractual documentation for that arrangement between FXL and Jasdav (this is not for release to the market).***

Not Applicable.

iii. ***When did FXL become aware that liquidators had been appointed to TSN / Jasdav?***

Not Applicable.

iv. ***What revenue did FXL derive from the arrangement with TSN / Jasdav since its inception?***

Not Applicable.

v. ***What revenue did FXL budget to receive from the arrangement with TSN / Jasdav for the balance of the financial year ended 30 June 2019?***

Not Applicable.

5. ***If the answer to question 3 does not include VM or TSN, who was the "equipment finance vendor program partner" that entered into "voluntary liquidation" referred to in the Impairment Announcement?***

Not Applicable.

6. ***Did an FXL spokesperson provide the statement to the Sydney Morning Herald referred to in the SMH Article?***

Yes. Domestique Consulting (our appointed spokesperson) provided the following statement to the Sydney Morning Herald on 22 November 2018:

"On 18 October 2018, Flexirent was advised by Viewble Media Pty Ltd that a previously undisclosed Network Management Agreement between Viewble and The Shoppers Network (TSN) had been terminated. Flexi was previously unaware of any relationship between Viewble and TSN.

Viewble develops and delivers AV systems that aims to raise sales revenue for small and medium sized businesses. Flexi and a number of other reputable finance companies have provided the financing for the AV systems that make up part of the Viewble's network.

We're are [sic] *aware of the issues some customers of Viewble are experiencing as a result of the terminated Network Management Agreement.*

We're corresponding with the Australian Small Business and Family Enterprise Ombudsman (ASBFEO) and Viewble's customers on a case by case basis to reach a satisfactory resolution for all interested parties."

7. ***Was FXL aware of any of the allegations reported in the SMH Article and summarised at paragraph C.i to C.xii above prior to the publication of the SMH Article? If so, please specify which allegations it was aware of and when it became aware of them.***

Yes. FXL was aware of some of the allegations (to a varying extent) reported in the SMH Article and summarised at paragraph C.i and C.xii of Your Letter prior to the publication of the SMH Article. The table below provides clarification of the matters alleged in the SMH Article and addresses a number of factual inaccuracies in the SMH Article:

Allegation – adopting reference from Your Letter	Was FXL aware?	Date FXL became aware
C.i	Yes (partially)	On or about 17 September 2018, FXL became aware (by virtue of an anonymous "whistleblower" email) that its relevant customers may have been receiving financial rebates from a third party (which we now know to be TSN). FXL only became aware of the existence of the contractual arrangement between VM and TSN on or about 18 October 2018. The relevant equipment was not "sold" to the relevant customers by VM, rather was purchased by Flexirent and in turn rented to the relevant customers by FXL (as undisclosed principal).
C.ii	Yes (partially)	On or about 17 September 2018, FXL became aware (by virtue of an anonymous "whistleblower" email) that its relevant customers may have been receiving financial rebates from a third party (which we now know to be TSN). FXL is not aware of what proportion of its relevant customers did or did not receive the financial rebate.
C.iii	Yes (partially)	We assume that reference to "NSW Small Business Ombudsman" was intended to reference the ASBFEO. If not, we were not aware that complaints had been made to the NSW Small Business Ombudsman. If so, on or about 2 November 2018, FXL received written correspondence from the ASBFEO. It was on or around that time that FXL became aware that the ASBFEO had received a number of complaints. FXL was not and is not aware of the number of complaints made to the ASBFEO in relation to the Scheme.
C.iv	No	FXL does not know the number of customers VM had in relation to the Scheme. FXL does not know the outgoings VM had under the Scheme.
C.v	Yes (partially)	FXL became aware on 14 November 2018 that TSN had liquidators appointed.

Allegation – adopting reference from Your Letter	Was FXL aware?	Date FXL became aware
C.vi	Yes (partially)	FXL became aware in or around mid to late September 2018 that VM and TSN had the same directors (being Jason Madden and David Reid).
C.vii	Yes	FXL became aware in or around mid to late September 2018 that FXL was one of a number of financiers implicated in the Scheme.
C.viii	No	FXL was not receiving around $3 million per month from the customers of the Scheme. By the end of 2018 the total monthly scheduled net payment due from customers (excluding GST) was less than $700,000.00. (FXL can provide the ASX with additional detail in relation to this matter on a confidential basis.)
C. ix	Yes (partially)	See FXL's response above to question 6 of Your Letter. Whilst FXL became aware in or around mid to late September 2018 that TSN may have been paying financial rebates to its relevant customers, FXL did not become aware of the contractual relationship between VM and TSN until on or about 18 October 2018.
C.x	Yes	On or about 23 November 2018, FXL received written correspondence from AFCA regarding "possible system contravention: misleading conduct". In that letter AFCA indicated (among other things) that *"Multiple complaints have been referred to me as raising a possible serious contravention. I will be responsible for investigating the matter".* On 13 December 2018 and 9 January 2019, FXL responded in writing to that letter.
C.xi	Yes (partially)	On or about 23 November 2018, FXL received written correspondence from AFCA regarding "possible system contravention: misleading conduct". In that letter AFCA indicated (among other things) that *"AFCA has a formal obligation to provide particulars of a contravention, breach, refusal or failure to APRA, ASIC or the ATO as appropriate, if it becomes aware, in connection with a complaint under the AFCA scheme that a serious contravention of any law may have occurred. Under ASIC Regulatory Guide 267: Oversight of the Australian Financial Complaints Authority, AFCA must refer all possible serious contraventions and breaches to the Australian Securities and Investments Commission (ASIC). A copy of this letter will be provided to ASIC, or other relevant body identifying Flexirent."* On 13 December 2018 and 9 January 2019, FXL responded in writing to that letter.
C.xii	No	FXL was not aware a third financier said it had inspected the books and concluded that VM was unable to establish where the advertising revenue arose from.

8. ***Please confirm that FXL is currently in compliance with listing rule 3.1.***

We confirm that FXL is currently in compliance with listing rule 3.1.

9. ***Please confirm that FXL's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of FXL with delegated authority from the board to respond to ASX on disclosure matters.***

We confirm that FXL's response to the above questions have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its Board or an officer of FXL with delegated authority from the Board to respond to ASX on disclosure matters.

Please contact me on (02) 8905 2191 if you have any queries on this letter.

Yours sincerely

Isobel Rogerson
Company Secretary
FlexiGroup Limited

Encl.

20 February 2019

Ms Isobel Rogerson
Company Secretary
FlexiGroup Limited
Level 7 179 Elizabeth Street
Sydeny NSW 2000

By Email

Dear Ms Rogerson

FlexiGroup Limited ("FXL")

ASX refers to:

A. FXL's announcement dated 21 August 2018 titled "FY18 Results Media Release" which contained the following statement:

> *"We are providing FY19 Cash NPAT guidance of $95-$100 million which represents 8-13% Cash NPAT growth over the previous corresponding period."*

B. FXL's announcement dated 16 November 2018 titled "FlexiGroup Reconfirms Market Guidance" disclosing that the FY19 guidance released on 21 August 2018 and referred to in paragraph A above remained unchanged.

C. The media article published in the Sydney Morning Herald online on 23 November 2018 titled "'Robin Hood in reverse': Finance companies taking $31 million in alleged small business TV scam" ("**SMH Article**"), which contained statements to the following effect:

   i. Viewble Media Pty Ltd ("**VM**") and The Shoppers Network ("**TSN**") were partners in a commercial enterprise whereby customers were promised to receive money on a monthly basis in return for displaying advertising on TV screens which were 'sold' to the customers by VM (the "**Scheme**").

   ii. Some / all customers of the Scheme had received no payments.

   iii. The NSW Small Business Ombudsman had received more than 380 complaints from customers of the Scheme.

   iv. VM had more than 20,000 customers in relation to the Scheme and may have had more than $31 million in outgoings under the enterprise.

   v. TSN went into liquidation the week before the article was published.

   vi. VM and TSN had the same directors, being Jason Madder and David Reid.

   vii. FXL was one of many business referred to in the article who provided finance to customers wanting to participate in the Scheme.

   viii. FXL received around $3 million per month from customers of the Scheme.

   ix. A spokesperson for FXL said that:

      a. FXL was aware of the issues some customers of the Scheme were having and was corresponding with the Small Business Ombudsman on a case-by-case basis.

      b. FXL became aware of the relationship between VM and TSN on 18 October 2018.

x. Affected customers of the Scheme have made complaints to the Australian Financial Complaints Authority ("**AFCA**") about FXL.

xi. AFCA said it had referred the matter to ASIC as is its obligation in regard to reporting "systemic and serious contraventions of financial services laws."

xii. A third financier said it had inspected the books and concluded that VM was unable to establish where the advertising revenue arose from.

D. FXL's announcement dated 5 February 2019 titled "FlexiGroup announces $12m after tax impairment in Commercial Leasing Business" (the "**Impairment Announcement**") which contained the following statements:

- "*FlexiGroup Limited (ASX:FXL) (**FlexiGroup** or **Group**) advises that, following a review of its unaudited financial performance for the six months ended 31 December 2018 (1HFY2019), the Group now expects FY2019 cash net profit after tax (NPAT) to be in the range of $76-80 million.*"

- "*FlexiGroup's AU Commercial Leasing business, along with a number of other finance providers, has become aware that one of its equipment finance vendor program partners has entered into voluntary liquidation, with liquidators appointed. FlexiGroup believes its contractual arrangements with the underlying small business borrowers are sound and enforceable, and has been endeavouring to identify if there is a course of action which could be taken to assist in meeting the offer made to those customers by the intermediary. This has proven difficult, and FlexiGroup has therefore taken the decision to provision for $12M after tax in relation to the Group's exposure generated through this equipment finance vendor program partner*."

E. A change in the price of FXL's securities from a close of $1.26 on Thursday, 4 February 2019 to an intra-day low of $0.975 on Friday, 5 February 2019.

F. The corporation that traded as TSN was variously named Mad Ads Media Australia Pty Ltd and Jasdav Trading Pty Ltd (ACN 616 227 948) ("**Jasdav**").

G. On 13 November 2018, liquidators were appointed to Jasdav.

H. On 22 January 2019, liquidators were appointed to VM.

I. ASX Listing Rule 3.1, which requires a listed entity to immediately tell ASX any information concerning it that a reasonable person would expect to have a material impact on the price or value of the entity's securities.

J. ASX Listing Rules Guidance Note 8, which contains the following commentary on when an entity can be said to be "aware" of information:

> ***4.4 When does an entity become aware of information?***
>
> *Under the Listing Rules, an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity. The term "officer" has the same meaning as in the Corporations Act and includes a director, secretary or senior manager of an entity. The extension of an entity's awareness beyond the information its officers in fact know to information that its officers "ought reasonably have come into possession of" effectively deems an entity to be aware of information if it is known by anyone within the entity and it is of such significance that it ought reasonably to have been brought to the attention of an officer of the entity in the normal course of performing their duties as an officer. Without this extension, an entity would be able to avoid or delay its continuous disclosure obligations by the simple expedient of not bringing market sensitive information to the attention of its officers in a timely manner. …*

In applying the definition of "aware", it must be remembered that the information which has to be disclosed under Listing Rule 3.1 is market sensitive information, that is, information that a reasonable person would expect to have a material effect on the price or value of an entity's securities. An entity may receive information about a particular event or circumstance in instalments over time. Sometimes the initial information about the event or circumstance is such that the entity cannot reasonably form a view on whether or not it is market sensitive and the entity may need to await further, more complete, information, or to make further enquiries or obtain expert advice, in order to be able to make that determination. In such a case, the entity will only become aware of information that needs to be disclosed under Listing Rule 3.1 when an officer has, or ought reasonably to have, come into possession of sufficient information about the event or circumstance in order to be able to appreciate its market sensitivity.

It should not be thought, however, that this opens up an avenue for an entity to avoid or delay its disclosure obligations – for example, by forming a convenient view that it needs further information before it can assess market sensitivity or by not making or delaying any further enquiries or request for expert advice needed for that purpose. As noted previously, the test for whether or not information is market sensitive is an objective one and, if the entity in fact has information that is market sensitive, the subjective opinion of its officers that it needs further information before it can assess market sensitivity will not avoid a breach of Listing Rule 3.1. Also, the extension of an entity's awareness to information that an officer ought reasonably have come into possession of will effectively require the entity, when it is on notice of information that potentially could be market sensitive, to make any further enquiries or obtain any expert advice needed to confirm its market sensitivity within a reasonable period.

Questions:

1. Does FXL consider the statements in the Impairment Announcement reproduced above at paragraph D to be information which a reasonable person would expect to have a material impact on the price or value of FXL's securities? If the answer this question is "no", please advise the basis for that view.
2. Please outline the process (including when each step in the process occurred) that led to FXL's decision to make the impairment referred to in the Impairment Announcement.
3. Is the "equipment finance vendor program partner" that entered into "voluntary liquidation" referred to in the Impairment Announcement either VM and / or TSN?
4. If the answer to question 3:
    a. includes VM:
        i. When did VM enter into a commercial arrangement with FXL to provide finance to its customers to participate in the Scheme?
        ii. Please provide a copy of the contractual documentation for that arrangement between FXL and VM (this is not for release to the market).
        iii. When did FXL become aware that liquidators had been appointed to VM?
        iv. What revenue did FXL derive from the arrangement with VM since its inception?
        v. What revenue did FXL budget to receive from the arrangement with VM for the balance of the financial year ended 30 June 2019?
    b. includes TSN / Jasdav:
        i. When did TSN enter into a commercial arrangement with FXL to provide finance to its customers to participate in the Scheme?

ii. Please provide a copy of the contractual documentation for that arrangement between FXL and Jasdav (this is not for release to the market).

iii. When did FXL become aware that liquidators had been appointed to TSN / Jasdav?

iv. What revenue did FXL derive from the arrangement with TSN / Jasdav since its inception?

v. What revenue did FXL budget to receive from the arrangement with TSN / Jasdav for the balance of the financial year ended 30 June 2019?

5. If the answer to question 3 does not include VM or TSN, who was the "equipment finance vendor program partner" that entered into "voluntary liquidation" referred to in the Impairment Announcement?

6. Did an FXL spokesperson provide the statement to the Sydney Morning Herald referred to in the SMH Article?

7. Was FXL aware of any of the allegations reported in the SMH Article and summarised at paragraph C.i to C.xii above prior to the publication of the SMH Article? If so, please specify which allegations it was aware of and when it became aware of them.

8. Please confirm that FXL is currently in compliance with listing rule 3.1.

9. Please confirm that FXL's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of FXL with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9:30 AM AEDT Monday, 25 February 2019**.

If we do not have your response by then, ASX will have no choice but to consider suspending trading in FXL's securities under Listing Rule 17.3. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, FXL's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market. Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A. In responding to this letter, you should have regard to FXL's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note *8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that FXL's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in FXL's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 Trading Halts & Voluntary Suspensions.

Suspension

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in FXL's securities under Listing Rule 17.3.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

Isabella Wong
Adviser, Listings Compliance (Sydney)