

**Form 603**  
Corporations Act 2001  
Section 671B

## Notice of initial substantial holder

To Company Name/Scheme INVESTORFIRST LIMITED

ACN/ARSN 124 891 685

### 1. Details of substantial holder (1)

Name VITEL INTERACTIVE PTY LTD

ACN/ARSN (if applicable) 059 123 803

The holder became a substantial holder on 01/12/2010

### 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 (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

| Class of securities (4)          | Number of securities | Person's votes (5) | Voting power (6) |
|----------------------------------|----------------------|--------------------|------------------|
| FULLY PAID ORDINARY (FPO) SHARES | 64,850,987           | 64,850,987         | 9.45%            |
|                                  |                      |                    |                  |

### 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 (7) | Class and number of securities |
|-----------------------------|---------------------------------|--------------------------------|
| VITEL INTERACTIVE PTY LTD   | DIRECT                          | 64,850,987 FULLY PAID ORDINARY |
|                             |                                 |                                |

### 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 (8) | Class and number of securities |
|-----------------------------|---------------------------------|------------------------------------------------|--------------------------------|
| VITEL INTERACTIVE PTY LTD   | VITEL INTERACTIVE PTY LTD       | VITEL INTERACTIVE PTY LTD                      | 64,850,987 FPO                 |
|                             |                                 |                                                |                                |

### 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:

| Holder of relevant interest | Date of acquisition | Consideration (9) |                | Class and number of securities |
|-----------------------------|---------------------|-------------------|----------------|--------------------------------|
|                             |                     | Cash              | Non-cash       |                                |
| VITEL INTERACTIVE PTY LTD   | 01/12/2010          |                   | \$4,233,824.03 | 56,450,987 FPO                 |
| VITEL INTERACTIVE PTY LTD   | 01/12/2010          | \$630,000         |                | 8,400,000 FPO                  |

**6. Associates**

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

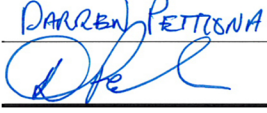
| Name and ACN/ARSN (if applicable)                 | Nature of association       |
|---------------------------------------------------|-----------------------------|
| VITEL INTERACTIVE PTY LTD<br>(A.C.N. 059 123 803) | DIRECTOR – DARREN PETTISONA |
|                                                   |                             |

**7. Addresses**

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

| Name                      | Address                                            |
|---------------------------|----------------------------------------------------|
| VITEL INTERACTIVE PTY LTD | Level 1/592-598 City Road SOUTH MELBOURNE VIC 3205 |
|                           |                                                    |

**Signature**

|            |                                                                                          |          |            |
|------------|------------------------------------------------------------------------------------------|----------|------------|
| print name | <u>DARREN PETTISONA</u>                                                                  | capacity | DIRECTOR   |
| sign here  | <u></u> | date     | 02/12/2010 |

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

**Form 603**  
Corporations Act 2001  
Section 671B

## Notice of initial substantial holder

To Company Name/Scheme INVESTORFIRST LIMITED

ACN/ARSN 124 891 685

### 1. Details of substantial holders (1) and (2)

Name (holder 1) Skylyx Pty Ltd ATF Tan Investment Family Trust

ACN/ARSN (if applicable) 125 935 775

Name (holder 2) Suwandi Tan ATF Tan Family Trust

ACN/ARSN (if applicable) n/a

The holders became a substantial holder on 01/12/2010

### 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 (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

| Class of securities (4)          | Number of securities | Person's votes (5) | Voting power (6) |
|----------------------------------|----------------------|--------------------|------------------|
| FULLY PAID ORDINARY (FPO) SHARES | 52,391,720           | 52,391,720         | 7.63%            |
|                                  |                      |                    |                  |

### 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 (7) | Class and number of securities |
|------------------------------------------------|---------------------------------|--------------------------------|
| Skylyx Pty Ltd ATF Tan Investment Family Trust | DIRECT                          | FULLY PAID ORDINARY            |
| Suwandi Tan ATF Tan Family Trust               | DIRECT                          | FULLY PAID ORDINARY            |

### 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 (8) | Class and number of securities |
|------------------------------------------------|------------------------------------------------|------------------------------------------------|--------------------------------|
| Skylyx Pty Ltd ATF Tan Investment Family Trust | Skylyx Pty Ltd ATF Tan Investment Family Trust | Skylyx Pty Ltd ATF Tan Investment Family Trust | 50,991,720 FPO                 |
| Suwandi Tan ATF Tan Family Trust               | Suwandi Tan ATF Tan Family Trust               | Suwandi Tan ATF Tan Family Trust               | 1,400,000 FPO                  |

### 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:

| Holder of relevant interest                    | Date of acquisition | Consideration (9) |                | Class and number of securities |
|------------------------------------------------|---------------------|-------------------|----------------|--------------------------------|
|                                                |                     | Cash              | Non-cash       |                                |
| Skylyx Pty Ltd ATF Tan Investment Family Trust | 01/12/2010          |                   | \$3,824,379.00 | 50,991,720 FPO                 |
| Suwandi Tan ATF Tan Family Trust               | 01/12/2010          | \$105,000         |                | 1,400,000 FPO                  |

**6. Associates**

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

| Name and ACN/ARSN (if applicable)                               | Nature of association  |
|-----------------------------------------------------------------|------------------------|
| Skylyx Pty Ltd ATF Tan Investment Family Trust<br>(125 935 775) | DIRECTOR – SUWANDI TAN |
| Suwandi Tan ATF Tan Family Trust                                | Trustee - SUWANDI TAN  |

**7. Addresses**

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

| Name                                           | Address                           |
|------------------------------------------------|-----------------------------------|
| Skylyx Pty Ltd ATF Tan Investment Family Trust | 11 Francis St, Naremburn NSW 2065 |
| Suwandi Tan ATF Tan Family Trust               | 11 Francis St, Naremburn NSW 2065 |

**Signature**

|            |                                                                                    |          |            |
|------------|------------------------------------------------------------------------------------|----------|------------|
| print name | SUWANDI TAN                                                                        | capacity | DIRECTOR   |
| sign here  |  | date     | 2 /12/2010 |

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.



**Form 603**  
Corporations Act 2001  
Section 671B

**Notice of initial substantial holder**

To Company Name/Scheme INVESTORFIRST LIMITED

ACN/ARSN 124 891 685

**1. Details of substantial holders (1) and (2)**

Name (holder 1) Litster & Associates Pty Ltd ATF Cynthia & Cherine Trust

ACN/ARSN (if applicable) ACN 075 565 749

Name (holder 2) Litster & Associates Pty Ltd ATF C & C Superfund

ACN/ARSN (if applicable) ACN 075 565 749

The holders became a substantial holder on 01/12/2010

**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 (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

| Class of securities (4)          | Number of securities | Person's votes (5) | Voting power (6) |
|----------------------------------|----------------------|--------------------|------------------|
| FULLY PAID ORDINARY (FPO) SHARES | 67,584,113           | 67,584,113         | 9.84%            |
|                                  |                      |                    |                  |

**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 (7) | Class and number of securities |
|----------------------------------------------------------|---------------------------------|--------------------------------|
| Litster & Associates Pty Ltd ATF Cynthia & Cherine Trust | DIRECT                          | FULLY PAID ORDINARY            |
| Litster & Associates Pty Ltd ATF C & C Superfund         | DIRECT                          | FULLY PAID ORDINARY            |

**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 (8)           | Class and number of securities |
|----------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|--------------------------------|
| Litster & Associates Pty Ltd ATF Cynthia & Cherine Trust | Litster & Associates Pty Ltd ATF Cynthia & Cherine Trust | Litster & Associates Pty Ltd ATF Cynthia & Cherine Trust | 60,584,113 FPO                 |
| Litster & Associates Pty Ltd ATF C & C Superfund         | Litster & Associates Pty Ltd ATF C & C Superfund         | Litster & Associates Pty Ltd ATF C & C Superfund         | 7,000,000 FPO                  |

**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:

| Holder of relevant interest                              | Date of acquisition | Consideration (9) |                | Class and number of securities |
|----------------------------------------------------------|---------------------|-------------------|----------------|--------------------------------|
|                                                          |                     | Cash              | Non-cash       |                                |
| Litster & Associates Pty Ltd ATF Cynthia & Cherine Trust | 01/12/2010          |                   | \$4,543,808.48 | 60,584,113 FPO                 |
| Litster & Associates Pty Ltd ATF C & C Superfund         | 01/12/2010          | \$525,000         |                | 7,000,000 FPO                  |

**6. Associates**

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

| Name and ACN/ARSN (if applicable)                                  | Nature of association  |
|--------------------------------------------------------------------|------------------------|
| Litster & Associates Pty Ltd ATF Cynthia & Cherine Trust (ACN XXX) | DIRECTOR – IAN LITSTER |
| Litster & Associates Pty Ltd ATF C & C Superfund (ACN XXX)         | DIRECTOR – IAN LITSTER |

**7. Addresses**

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

| Name                                                     | Address                                    |
|----------------------------------------------------------|--------------------------------------------|
| Litster & Associates Pty Ltd ATF Cynthia & Cherine Trust | Level 7, 20 Hunter Street, Sydney NSW 2000 |
| Litster & Associates Pty Ltd ATF C & C Superfund         | Level 7, 20 Hunter Street, Sydney NSW 2000 |

**Signature**

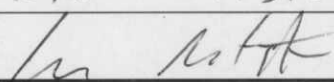
print name

IAN LITSTER

capacity

DIRECTOR

sign here



date

1

/12/2010

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
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- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

# **HUB24 Group Share Sale Agreement**

The parties detailed as Sellers in Schedule 1

and

**Investorfirst Limited**

ACN 124 891 685

and

The Parties detailed as Covenantors in Schedule 1

and

**HUB24 Pty Ltd**

ACN 126 560 923

and

**HUB24 Operations Pty Ltd**

ACN 140 763 775

and

**HUB24 Services Pty Ltd**

ACN 135 438 603

and

**INQ Management Services Ltd**

ACN 135 332 320

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# Share Sale Agreement

Date 21 October 2010

## Parties

1. Each party detailed as a **Seller** in Schedule 1 (individually a **Seller** and collectively **Sellers**) (collectively known as the **Sellers**)
2. Each party detailed as a **Covenantor** in Schedule 1 (individually a **Covenantor** and collectively **Covenantors**)
3. **Investorfirst Limited** ACN 127 891 685 of Level 11, 7 Macquarie Place, Sydney, NSW (**Buyer**) or (**INQ**)
4. Each party detailed as a **Group Company** in Schedule 2
5. **INQ Management Services Ltd** ACN 135 332 320 of Level 11, 7 Macquarie Place, Sydney, NSW (**INQ Management**)

## Background

- A. The HUB24 Group (holder of AFSL no. 335348 ("**HUB24**") have developed a service that allows investors to invest in managed funds, listed securities, exchange traded funds, separately managed accounts, individual managed accounts and fixed interest products whilst still remaining the beneficial owner of the investments. The service developed by HUB24 incorporates features innovative for the Australian market and aims to provide retail clients with a more cost effective model for investing than other comparable services.
- B. The Sellers are the registered holders of the Shares in the Company.
- C. INQ and the HUB24 Group have agreed to combine their businesses to position the combined group for future growth and development. To facilitate this, the Sellers have offered to sell and the Buyer has agreed to buy the Shares on the terms and conditions contained in this Agreement.

## Agreed terms

### 1. Definitions and interpretation

#### 1.1 Definitions

In this Agreement unless the context otherwise requires:

**Accounting Standards** mean the requirements of the Australian equivalent of the International Financial Reporting Standards (**AIFRS**), the requirements of the Corporations Act in relation to the preparation and content of financial statements and, to the extent that any matter is not covered by the above, generally accepted accounting principles consistently applied;

**Accounts** mean the consolidated profit and loss statement and consolidated balance sheet at the Accounts Date, being the accounts annexed as Annexure A;

**Accounts Date** means 30 September 2010;

**Assets** mean the assets used in the Business at the opening of business on the Completion Date, including but not limited to:

- (i) the equipment used to conduct, the Business or used in connection with the Business at the date of Completion;
- (ii) the goodwill of the Business including any know-how, technical data, advertising material and copyright in any material used by the Group Companies in connection with the Business; and
- (iii) the Intellectual Property Rights owned by the Group Companies used in connection with the Business at the date Completion, including but not limited to the Intellectual Property Licences, the Owned Intellectual Property Rights, and any other rights (whether owned licenced or otherwise) in software, hardware, or information technology services;

**Associate** has the meaning given to the term "associate" in Division 2 of Part 1.2 of the Corporations Act;

**ASIC** means Australian Securities and Investment Commission;

**ASX** means Australian Securities Exchange;

**Authorisation** includes any consent, registration, filing, agreement, notarisation, certificate, licence, approval, permit, authority or exemption from, by or with a Government Agency;

**Business** means the business carried on by the Group Companies which includes the business and activities described in the HUB24 Portfolio Service Explanatory Memorandum, Financial Services Guide, Application and MDA contract available at [www.HUB24.com.au/forms.html](http://www.HUB24.com.au/forms.html);

**Business Day** means a day that is not a Saturday, Sunday, public holiday or bank holiday in New South Wales;

**Claim** includes a claim, notice, demand, action, proceeding, litigation, prosecution, arbitration, investigation, judgment, award, damage, loss, cost, expense or liability however arising, whether present, unascertained, immediate, future or contingent, whether based in contract, tort or statute and whether involving a third party or a party to this Agreement or otherwise;

**Company** means HUB24 Pty Ltd ACN 126 560 923;

**Completion** means the completion of the sale and purchase of the Shares in accordance with clause 4;

**Completion Date** means the later of:

- (i) 1 December 2010; and
- (ii) the day that is 2 Business Days after each of the Conditions Precedent have been satisfied or waived under clause 2.6,

or such other date as is agreed in writing between the Sellers and the Buyer;

**Completion Date Accounts** means a balance sheet and income statement prepared in a manner consistent with the Accounts as at the Completion Date in respect of each Group Company;

**Conditions Precedent** means the conditions precedent to Completion set out in clause 2.3;

**Confidential Information** means:

- (a) the terms of this Agreement and its subject matter, including information submitted or disclosed by a party during negotiations, discussions and meetings relating to this Agreement;
- (b) Information that at the time of disclosure by a Disclosing Party is identified to the Receiving Party as being confidential; and

all other Information belonging or relating to a Disclosing Party, or any Related Entity of that Disclosing Party, that is not generally available to the public at the time of disclosure other than by reason of a breach of this Agreement or which the Receiving Party knows, or ought reasonably to be expected to know, is confidential to that Disclosing Party or any Related Entity of that Disclosing Party;

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

**Credit** means a Tax Credit for Tax provided for in the Accounts which:

- (a) relates to a period before the Completion Dates;
- (b) is above the net liability for Tax incurred by a Group Company; and
- (c) includes an amount allowed by the Australian Taxation Office to reduce a Group Company's liability for Tax for a period up to the Completion Date.

**Disclosing Party** means the party to whom Information belongs or relates;

**Disclosures** means the information disclosed by the Sellers to the Buyer before the date of this Agreement being the Accounts and all information disclosed or contained in the data room, the itemised index which is annexed as Annexure B;

**Disclosure Letter** means the disclosure letter included in Annexure B;

**Duty** means any stamp, transaction or registration duty or similar charge imposed by any Government Agency and includes any interest, fine, penalty, charge or other amount imposed in respect of the above, but excludes any Tax;

**Employees** means those employees and executives of the Group Companies engaged in the Business as at Completion and as listed in Schedule 7 "Employees";

**Enticing** means dealing with, soliciting, canvassing, procuring or enticing away or endeavouring to entice away from the Buyer;

**Escrow Restriction Agreement** means an agreement in the form of Annexure D to be entered into by each Seller in relation to INQ Shares received or issued pursuant to this Agreement;

**Fund** means the default superannuation fund to which the any of the Group Companies make superannuation contributions in relation to their employees (if

any) and in the case of an employee that has nominated a different superannuation fund, that Fund in respect of that employee;

**Group Company** means each of the companies set out in Schedule 2 and which together are referred to as the HUB24 Group or the Group Companies. A reference to the Group Companies is a reference to all of those companies set out in Schedule 2;

**Government Agency** means any government or any public, statutory, governmental (including a local government), semi-governmental or judicial body, entity, department or authority and includes any self-regulatory organisation established under statute;

**Information** means any information, whether oral, graphic, electronic, written or in any other form, including:

- (a) forms, memoranda, letters, specifications, processes, procedures, statements, formulae, technology, inventions, trade secrets, research and development information, know how, designs, plans, photographs, microfiche, business records, notes, accounting procedures or financial information, sales and marketing information, names and details of customers, suppliers and agents, employee details, reports, drawings and data;
- (b) copies and extracts made of or from that information and data, whether translated from the original form, recompiled, partially copied, modified, updated or otherwise altered; and
- (c) samples or specimens (if any) disclosed either before or after execution of this Agreement;

**Insolvency Event** means in relation to a corporation:

- (a) the appointment of a liquidator, provisional liquidator, administrator, receiver, receiver and manager or other insolvency official to the corporation or to the whole or a substantial part of the property or assets of the person;
- (b) the entry by the corporation into a compromise or arrangement with its creditors generally, unless such event or circumstance occurs as part of a solvent reconstruction, amalgamation, compromise, arrangement, merger or consolidation;
- (c) the calling of a meeting to consider a resolution to wind up the corporation (other than where the resolution is frivolous or cannot reasonably be considered to be likely to lead to the actual winding up of the corporation) or the making of an application or order for the winding up or dissolution of the corporation other than where the application or order (as the case may be) is set aside within 14 days;
- (d) the corporation suspends or threatens to suspend payment of its debts generally;
- (e) the corporation ceases or threatens to cease to carry on business; or
- (f) the person is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act or is otherwise presumed to be insolvent under the Corporations Act;

**INQ Shares** means fully paid ordinary shares of the Buyer;

**Intellectual Property Licences** means the licences listed as such in Schedule 5;

**Intellectual Property Rights** means all present and future intellectual and industrial property rights conferred by statute, at common law or in equity and wherever existing, which are used by the Group Companies in the Business, including:

- (a) patents, designs, copyright, trademarks, know how, brand names, domain names, inventions, product names, trade secrets and any other rights subsisting in the results of intellectual effort in any field, whether or not registered or capable of registration;
- (b) any application or right to apply for registration of any of these rights;
- (c) any registration of any of those rights or any registration of any application referred to in paragraph (b); and
- (d) all renewals and extensions of these rights.

**Leased Property** means the property leased under the Property Lease;

**Liabilities** means debts, obligations, liabilities, losses, expenses, costs and damages of any kind and however arising, including penalties, fines and interest

**Listing Rules** mean the official listing rules, from time to time of the ASX.

**Material Adverse Change in relation to a Group Company or the Business** means:

- (a) an Insolvency Event occurs in relation to a Group Company;
- (b) a Group Company becomes a party to any material litigation or arbitration after the date of this Agreement, other than as a plaintiff or applicant, in respect of the Group Company or the Business that exposes the Group Company or the Business to a potential liability exceeding \$1,000,000 (excluding legal costs) or having a material adverse effect on the Business, not including litigation that is frivolous or vexatious;
- (c) a Group Company becomes the subject of audit or investigation by the Australian Taxation Office or other government authority and that audit or investigation is material in nature to the operations or prospects of the Group Company;
- (d) any one of Ian Litster, Darren Pettiona, and Suwandi Tan ends, or threatens to end their involvement with the Group Companies or any one of them materially reduces their involvement with the Group Companies other than as contemplated in this Agreement; or
- (e) a Group Company has, or is alleged in writing to have, materially infringed the Intellectual Property Rights of a third party, not including an alleged infringement that is frivolous or vexatious.

**Material Adverse Change in relation to the Buyer** means:

- (a) an Insolvency Event occurs in relation to the Buyer;



- (b) the Buyer becomes a party to any material litigation or arbitration after the date of this Agreement, other than as a plaintiff or applicant, in respect of the Buyer or its business is exposed to a potential liability exceeding \$1,000,000 (excluding legal costs) or having a material adverse effect on the business of the Buyer, not including litigation that is frivolous or vexatious;
- (c) the Buyer becomes the subject of audit or investigation by the Australian Taxation Office or other government authority and that audit or investigation is material in nature to the operations or prospects of the Buyer; or
- (d) securities of the Buyer are removed from the official list of the ASX or suspended from trading for 5 consecutive days;

**Name** means "HUB24" and any name which is deceptively similar to or may be confused with that name;

**Owned Intellectual Property Rights** means the rights listed as such in Schedule 5;

**Property Lease** means the lease of the premises occupied by the Group companies at Level 2, 84 Pitt St, Sydney NSW 2000;

**Purchase Consideration** means the consideration payable for the Shares set out in clause 3.1;

**Receiving Party** means the party to whom Information is disclosed or who possesses or otherwise acquires Information belonging or relating to a Disclosing Party;

**Related Corporation** has the meaning given to the term "related body corporate" in the Corporations Act;

**Related Entity** has the meaning given to that term in the Corporations Act;

**Security Interest** means an interest or power:

- (a) reserved in or over an interest in any asset excluding any retention of title arising in the ordinary course of business; or
- (b) created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of security for the payment of a debt or any other monetary obligation or the performance of any other obligation and includes any agreement to grant or create any of the above;

**Sellers' Warranties** means the warranties set out in Parts A and B of Schedule 3;

**Senior Employee** means those employees that are designated as Senior Employees in Schedule 7;

**Shares** mean the shares in the Company, which comprise 33,274,647 ordinary shares in HUB24 Pty Ltd, being the total share capital of the Company, which is further set out in Schedule 4;

**Tax** means any tax, levy, charge, impost, duty, fee, deduction, compulsory loan or withholding, but excludes any stamp, transaction or registration duty or similar charge, which is assessed, levied, imposed or collected by any Government Agency and includes any interest, fine, penalty, charge, fee or any other amount imposed on, or in respect of, any of the above;

**Tax Act** means the *Income Tax Assessment Acts of 1936 and 1997*, as in force at Completion;

**Tax Law** means any law relating to either Tax or Duty as the context requires;

**Transaction Documents** means the following documents and any further documents as agreed between the Sellers and the Buyer in writing:

- (a) this Share Sale Agreement;
- (b) an employment agreement signed by each of Ian Litster, Darren Pettiona, and Suwandi Tan to be agreed between each of them and the Buyer and substantially in the form of the agreement in Annexure C;
- (c) an Escrow Restriction Agreement signed by each Seller in the form set out in Annexure D;
- (d) a waiver of pre-emptive rights signed by each Seller and/ or Covenantor as referred to clause 2.3(a);and
- (e) an employment agreement signed by each Senior Employee consistent with clause 9 and in a form approved by the Buyer;

**Warranties** mean the Sellers' Warranties.

## 1.2 Interpretation

In this Agreement, unless the context requires otherwise:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes the other genders;
- (c) the headings are used for convenience only and do not affect the interpretation of this Agreement;
- (d) other grammatical forms of defined words or expressions have corresponding meanings;
- (e) a reference to a document includes the document as modified from time to time and any document replacing it;
- (f) if something is to be or may be done on a day that is not a Business Day then it must be done on the next Business Day;
- (g) the word "person" includes a natural person and any body or entity whether incorporated or not;
- (h) the word "month" means calendar month and the word "year" means 12 months;

- (i) the words "in writing" include any communication sent by letter, facsimile transmission or email or any other form of communication capable of being read by the recipient;
- (j) a reference to a thing includes a part of that thing;
- (k) a reference to all or any part of a statute, rule, regulation or ordinance (**statute**) includes that statute as amended, consolidated, re-enacted or replaced from time to time;
- (l) wherever "include" or any form of that word is used, it must be construed as if it were followed by "(without being limited to)";
- (m) money amounts are stated in Australian currency unless otherwise specified; and
- (n) a reference to any agency or body, if that agency or body ceases to exist or is reconstituted, renamed or replaced or has its powers or functions removed (**defunct body**), means the agency or body which performs most closely the functions of the defunct body.

## **2. Sale and purchase**

### **2.1 Purchase**

Subject to satisfaction of the Conditions Precedent, on the Completion Date, each Seller will sell and the Buyer will buy free from any Security Interest, those Shares listed against that Seller's name in Schedule 4, together with all benefits and rights attached or accruing to them, for the Purchase Consideration. On Completion, the Business, the Intellectual Property Rights and all other Assets of the Group Company will be free from any Security Interest.

### **2.2 Payment**

The Purchase Consideration will be paid by the Buyer to the Sellers in accordance with this Agreement.

### **2.3 Conditions Precedent**

Completion will not proceed unless the following conditions precedent are satisfied or waived in accordance with clause 2.6:

- (a) the shareholders of the Buyer give approval for the purchase of 100% of the Shares in the Company as contemplated by and on the terms contained in this Agreement and substantially on the terms contained in the notice of meeting to INQ shareholders which has been circulated to the Sellers;
- (b) each Seller waives its pre-emptive rights under the shareholder agreement and constitution of the Company; and
- (c) each Senior Employee enters into an Employment Agreement with INQ Management in accordance with clause 9 and in a form approved by the Buyer;
- (d) each of Ian Litster, Darren Pettiona, and Suwandi Tan enter into an employment agreement with INQ Management on terms to be agreed

between each of them and the Buyer and substantially in the form of the agreement in Annexure C.

- (e) there has been no Material Adverse Change in relation a Group Company or the Business during the period commencing on the date of this Agreement and ending two Business Days after the date of the Buyer's general meeting seeking the approval referred to in clause (a); and
- (f) there has been no Material Adverse Change in relation to the Buyer or the Business during the period commencing on the date of this Agreement and ending two Business Days after the date of the Buyer's general meeting seeking the approval referred to in clause (a).

## **2.4 Best endeavours**

- (a) The Sellers, Covenantors and Group Companies must use their best endeavours to satisfy, or procure the satisfaction of, the Conditions Precedent set out in clauses 2.3 (b), (c), (d) and (e).
- (b) The Buyer must use its best endeavours to satisfy the Conditions Precedent set out in clauses 2.3 (a) and (f).
- (c) Notwithstanding the generality of subclause (b) above in respect of the Condition Precedent in clause 2.3 (a), the Buyer undertakes to convene and hold a meeting of its shareholders within 60 days of the date of this Agreement for the purpose of considering the necessary shareholder approvals as outlined in clause 2.3 (a).

## **2.5 Notice**

The Sellers and the Buyer must each promptly notify the other(s) in writing if either discovers that any Condition Precedent is satisfied or becomes incapable of being satisfied, or any circumstances which may result in any Condition Precedent not being satisfied.

## **2.6 Waiver**

- (a) The Conditions Precedent in clauses 2.3 (b), (c), (d) and (e), may only be effectively waived if waived by the Buyer.
- (b) The Condition Precedent in clause 2.3 (f) may only be effectively waived if waived by the Sellers.
- (c) The Condition Precedent in clause 2.3 (a) may not be waived by any party.

## **2.7 Cut-off date**

If any Condition Precedent is not waived in accordance with clause 2.6 or satisfied on or before 31 December 2010 (**End Date**) then all rights and obligations under this Agreement other than clauses 1 Definitions and interpretation, 12 Public announcements, 13 Confidentiality and 16 General, terminate on the day after the End Date and the parties will have no further obligations to each other under or pursuant to this Agreement.

## 2.8 Attorney and proxy

- (a) Subject to and effective on and from Completion, the Sellers irrevocably appoint the Buyer and each officer of the Buyer to be their attorneys as holders of the Shares until the Buyer becomes registered as the holder of the Shares with authority to exercise all powers of a registered holder of the Shares (this period, for the purpose of clauses 2.8(b) and (c) only, being known as the **Term**).
- (b) During the Term (but not otherwise) the Buyer and each officer of the Buyer may do in the name and otherwise on behalf of the Sellers everything necessary or expedient in the Buyer's and each officer of the Buyer's sole discretion to exercise any rights, including rights to appoint a proxy or representative and voting rights, attaching to the Shares.
- (c) The Sellers acknowledge and accept that:
  - (i) all acts and things done by the Buyer and each officer of the Buyer in exercising its powers under the power of attorney granted in clause 2.8(a) will be as good and valid as if they had been done by the Sellers and agree to ratify and confirm whatever the Buyer and each officer of the Buyer does in exercising its powers under this power of attorney;
  - (ii) the Buyer and each officer of the Buyer is expressly authorised to do any act as a result of which a benefit is conferred on it; and
  - (iii) the power of attorney in favour of the Buyer and each officer of the Buyer is given for valuable consideration and is irrevocable for the Term.

## 3. Purchase Consideration

### 3.1 Purchase Consideration

The consideration payable for the Shares is a total of 266,666,667 newly issued INQ Shares at an issue price of 7.5 cents (with a total value of \$20 million) (**Purchase Consideration**). INQ must issue these shares in accordance with this clause 3. The Buyer must ensure that the newly issued INQ Shares on their issue will rank *pari passu* (other than in respect of the restrictions under the Escrow Restriction Agreements) with the existing ordinary shares of the Buyer in all respects as from the date of their issue.

### 3.2 Payment of Purchase Consideration

On the Completion Date, the Buyer will pay the Seller the Purchase Consideration in the manner of payment specified in clause 3.3.

### 3.3 Manner of payment

On Completion, the Buyer will pay the Purchase Consideration to the Sellers by issuing INQ Shares in the proportions set out in Schedule 4 and the parties agree the INQ Shares are subject to escrow sale restrictions in accordance with clause 3.5.

### **3.4 Quotation**

- (a) Immediately after issuing INQ Shares in accordance with clause 3.3, the Buyer must inform ASX of the issue and must apply to ASX to grant those INQ Shares official quotation on the ASX, in compliance with rule 3.10.5 of the Listing Rules.
- (b) The Buyer must use its best endeavours to ensure that ASX grants the INQ Shares official quotation.
- (c) After the issue of the INQ Shares in accordance with clause 3.3, the Buyer must, in the ordinary course of business send to each Seller a statement as to the INQ Shares which have been issued to that Seller in accordance with clause 3.3.
- (d) Within five (5) Business Days of the issue of the INQ Shares in accordance with clause 3.3, the Buyer must give the ASX a notice in accordance with section 708A(5)(e) that complies with section 708A(6) in respect of those INQ Shares.

### **3.5 Escrow Restriction Agreement**

The INQ Shares issued following Completion pursuant to clause 3.3 will be subject to an escrow sale restriction period pursuant to the Escrow Restriction Agreement.

### **3.6 Waiver of Escrow Restrictions**

The escrow sale restrictions to which a Seller is party may be waived (in part or whole), if and only if, during the term of an Escrow Restriction Agreement the board of directors of the Buyer, in its absolute discretion, passes a resolution at a duly convened board meeting approving or granting a waiver. At any such meeting of directors of the Buyer, any person that is or was:

- (i) a Seller;
- (ii) a director or company secretary of a Seller; or
- (iii) a Covenantor,

and who is or subsequently becomes a director of the Buyer, may not at any time vote as a director of the Buyer in relation to such a resolution.

## **4. Completion**

### **4.1 Location and time of Completion**

Completion will take place at the offices of the Buyer (or at such other place as is agreed in writing between the parties) on the Completion Date.

### **4.2 Sellers' obligations**

On Completion the Sellers will:

- (a) deliver or cause to be delivered to the Buyer:
  - (i) a duly signed original of each of the Transaction Documents;

- (ii) duly executed transfers of the Shares in favour of the Buyer or its nominee(s) and share certificates in respect of all of the Shares;
  - (iii) the constituent documents, certificate of incorporation, common seal (if any), register of members, register of directors, register of directors' shareholdings, register of charges, minutes of directors and shareholders meetings of the Group Companies in proper order and condition and fully entered up to the Completion Date;
  - (iv) all cheque books, financial and accounting books and records, copies of taxation returns lodged and assessments issued under the Tax Act, fringe benefits tax returns, land tax assessments, mortgages, leases, agreements, insurance policies, title documents, licences, certificates and all other records, papers, invoices, books and documents of the Group Companies;
  - (v) duly completed authority for the alteration of the signatories of the bank accounts of the Group Companies in the manner required by the Buyer;
  - (vi) all current permits, licences and other documents issued to the Group Companies under any legislation or ordinance relating to its business activities;
  - (vii) releases for any Assets or Group Companies of any charges, Security Interests or any Encumbrances that any director of a Group Company, or a Seller may have over or in relation to an Asset or Group company; and
- (b) if requested by notice in writing by the Buyer, cause a directors meeting of each Group Company to be held at which:
- (i) the registration of transfers to the Buyer or its nominee(s) of the Shares will subject to payment of any Duty on them, be approved;
  - (ii) the persons who are nominated in writing for that purpose by the Buyer will be appointed directors and secretaries of each Group Company; and
  - (iii) the existing directors and secretaries of each Group Company will resign from their respective offices without any payment as compensation for loss of office by written resignation containing an acknowledgment of release in terms approved by the Buyer that the giver of the resignation has no claim against a Group Company arising out of the resignation or by way of damages or compensation for loss of office;
- (c) cause all existing mandates for the operation of bank accounts of each Group Company to be revoked and new mandates in favour of the officers of a Group Company nominated by the Buyer to be approved; and
- (d) cause the registered office of each Group Company to be altered as required by the Buyer.

#### **4.3 Buyer's obligations**

- (a) On Completion, the Buyer must:

- (i) deliver or cause to be delivered to the Sellers a counterpart of each Transaction Document to which the Buyer is a party, duly signed by the Buyer; and
- (ii) pay to the Sellers the Purchase Consideration in accordance with clause 3.

#### **4.4 Conditions of Completion**

- (a) The obligations of the Buyer, and the Sellers under this clause 4 (other than a requirement that has been waived by notice in writing by a party for whose sole benefit the requirement has been included) are interdependent. Completion is conditional on, and will not be taken to have occurred until, all of the Buyer, the Company and the Sellers have complied with all of their respective obligations under this clause 4.
- (b) If either the Sellers or the Buyer fail to fully comply with their obligations under this clause 4 and Completion does not occur by the End Date, then the other party may terminate this Agreement by giving notice to all other parties and each of the Sellers and the Buyer must promptly:
  - (i) return to the other all documents delivered to it under this clause 4 (if any);
  - (ii) repay to the other all payments received by it under this clause 4 (if any); and
  - (iii) do everything reasonably required by the other to reverse any action taken under this clause 4,

and the parties will have no further obligations to each other in respect of this Agreement (other than those in clauses 12 Public announcements, 13 Confidentiality and 16 General).

### **5. Period before Completion**

#### **5.1 Conduct of Business**

During the period commencing on the date of this Agreement and ending on the Completion Date, the Sellers must procure that each Group Company conducts the Business in the ordinary course of business.

#### **5.2 Restrictions on conduct of Business**

During the period commencing on the date of this Agreement and ending on the Completion Date, the Sellers must, except as provided by this Agreement, ensure that:

- (a) the Business is conducted in the ordinary course;
- (b) a Group Company does not enter into any commitment or contract for more than \$100,000 other than in the ordinary course of business without the Buyer's prior written consent (which must not be unreasonably withheld or delayed);



- (c) a Group Company does not acquire, dispose of, or create a Security Interest over any of its assets other than acquisitions or disposals of stock in trade in the ordinary course of business;
- (d) a Group Company does not distribute nor return any capital to its members;
- (e) except as agreed with the Buyer, a Group Company does not pay any dividend to its members (except for members associated with employees of a Company) nor pay any management fee, or similar amount, without the Buyer's prior written consent (which must not be unreasonably withheld or delayed);
- (f) a Group Company does not issue any shares, options or securities which are convertible into shares in that Company other than as a result of the conversion of any securities on issue on the date of this Agreement ;
- (g) a Group Company does not engage any new salaried employee, materially change the terms (including remuneration) of any salaried employee, or pay or provide any bonus to any Employee without the Buyer's prior written consent (which must not be unreasonably withheld or delayed); and
- (h) a Group Company does not alter its constitution without the Buyer's prior written consent (which must not be unreasonably withheld or delayed).

## **6. Post Completion**

### **6.1 Conclusion and Discharge of Shareholders Agreement**

Prior to Completion, the Sellers will procure that the shareholder agreement in relation to the Company is terminated and that each Seller confirms that there are no outstanding claims or obligations in relation to the Shares, or claims against a Group Company. The Sellers agree to deliver a copy of such executed termination deed to the Buyer at Completion.

### **6.2 Sellers may retain certain records**

The Sellers may retain after Completion copies of any records necessary for the Sellers to comply with any applicable law (including a Tax Law) and to prepare Tax and other returns required of the Sellers by law.

### **6.3 Buyer must retain certain records**

The Buyer must ensure that each Group Company retains all records required to be retained by law existing at Completion for the period that they are required to be retained by law after Completion.

### **6.4 Seller allowed reasonable access to records**

The Buyer must ensure (but without the Buyer waiving any legal professional privilege to do so) that each Seller and its advisors is afforded reasonable access to the records referred to in clause 6.3 on reasonable notice request by a Seller, for the purpose of enabling the Seller to do all or any of the following:

- (a) comply with any applicable law (including a Tax Law);
- (b) prepare any financial statement or Tax return; and

- (c) defend or deal with any Claim.

## **6.5 Tax & BAS returns, etc**

Following Completion the Sellers will be responsible for (and will arrange at their expense) the completion of the following returns and filings:

- (a) Tax returns for each of the Group Companies for any periods ending 30 June 2010 or earlier;
- (b) GST (business activity statements) returns for each of the Group Companies for any periods ending 30 September 2010 or earlier;
- (c) any returns for each of the Group Companies for any periods ending 30 June 2010 or earlier in relation to fringe benefits tax;
- (d) financial statements and other lodgments as required by ASIC for any periods ending 30 June 2010 or earlier;
- (e) any returns for each of the Group Companies for any periods ending 30 June 2010 or earlier which relate to the Australian Financial Services Licence number 335348 held by the Group Companies; and
- (f) any tax, GST, financial statements and other lodgments as required by ASIC, (including all lodgments and returns that fall within the categories in (a) to (e) inclusive) which relate, in each case, to the period before Completion.

The Sellers must arrange for the completion of these returns and lodgments listed in this clause 6.5 and for such returns and lodgments to be duly filed before the date on which they are due to be filed.

## **7. Tax indemnity**

### **7.1 Indemnity**

- (a) The Sellers indemnify the Buyer and the Company against any net Tax Liability incurred by the Company which is not fully provided for in the Completion Date Accounts where all or part of that Tax Liability arises as a result of:
  - (i) an act or omission which occurred on or before the Completion Date or is deemed to have occurred on or before the Completion Date;
  - (ii) income, profits or gains earned, accrued or received on or before the Completion Date; or
  - (iii) disallowance as a deduction of an expense incurred on or before the Completion Date.
- (b) For the purposes of the Completion Date Accounts, the net tax position of the Company must be determined after recognising a Credit for Tax which the Company has earned but has not received as at the Completion Date. The net tax position may be a Tax Liability or a tax receivable.

## **7.2 Period of Indemnity**

Notwithstanding any other provision of this Agreement, the Sellers will not be liable to the Company or the Buyer in relation to any claim under any provision of this clause 7 unless the Company or the Buyer has notified the Sellers of that Claim under this clause 7 within 7 years of Completion, provided that where such claim, if established, involves fraud or tax evasion on the part of the relevant taxpayer, there is no time limit for the Claim.

## **7.3 Buyer's obligation**

- (a) The Buyer must notify the Sellers within 10 Business Days if it or the Company:
  - (i) receives a Tax assessment, variation, penalty, demand or other document asserting a liability for Tax; or
  - (ii) becomes aware of a matter,
 which may give rise to a claim under clause 7.1.
- (b) Subject to subclauses (c) and (d), the Buyer must take reasonable action which the Sellers request to dispute, settle or defend an assessment or other thing described in paragraph 7.3(a)(i).
- (c) The Buyer is only obliged to take action under clause (b) if the Sellers:
  - (i) indemnify the Buyer and the Company against the amount of the assessment or other thing; and
  - (ii) agree to pay when due the Buyer's reasonable costs and expenses of taking that action.
- (d) The action requested by the Sellers under clause (b) is deemed not to be reasonable if the Buyer obtains the written advice of a solicitor barrister who has at least 10 years experience in the taxation field, to the effect that the action does not have a reasonable chance of success.

## **7.4 Payment to Sellers**

The Buyer or the Company must pay to the Sellers within 10 Business Days of receiving it, the amount of any refund or Credit it receives which relates to a period before Completion Date and which has not been recognised in the Completion Date Accounts.

## **7.5 Limitation**

Notwithstanding any other provision of this Agreement, the indemnity in this clause 7 is qualified by matters disclosed in this Agreement or the Disclosures.

## **7.6 Completion Date Accounts**

The Sellers and the Buyer will co-operate and will each dedicate such resources as are necessary to prepare and complete the Completion Date Accounts.

## **8. Warranties**

### **8.1 Sellers' Warranties**

- (a) The Sellers and Covenantors jointly and severally represent and warrant to the Buyer that each of the Sellers' Warranties (other than the Sellers' Warranties in Warranty 1) is at the date of this Agreement and at the date of Completion, true, accurate and not misleading.
- (b) Each Seller in relation to itself, or in relation to the Shares shown opposite its name in Schedule 1, represents and warrants to the Buyer that each of the Sellers' Warranties in Warranty 1 is at the date of this Agreement and at the date of Completion, true, accurate and not misleading.
- (c) The Sellers and Covenantors acknowledge that the Buyer is entering into this Agreement in reliance on each of the Sellers' Warranties.
- (d) Each of the Sellers' Warranties is a separate warranty and is not limited or restricted by any other warranty, except if that limit or restriction is clearly stated in the relevant Sellers' Warranty.

### **8.2 Disclosures**

The Sellers' Warranties are given subject to the Disclosures and the disclosures set out in the Disclosure Letter, and a party must not claim that any fact renders any of the Sellers' Warranties untrue or misleading or causes them to be breached if that fact has been disclosed in:

- (a) this Agreement; or
- (b) in the case of the Sellers' Warranties, the Disclosures.

### **8.3 Minimum Warranty Claim**

The Buyer must not make a Claim against the Sellers and/or the Covenantors under or in connection with a Sellers' Warranty unless the total of that Claim exceeds \$50,000 and all Claims of the Buyer due to causes of action under, or in connection with a Sellers' Warranty exceed, or are likely to exceed, \$150,000.

### **8.4 Maximum amount the Buyer may recover**

The maximum total amount that the Buyer may recover for all Claims against the Sellers and/or the Covenantors under or in connection with this Agreement (whether by way of damages or otherwise) cannot exceed \$20,000,000.

### **8.5 Maximum time period for Warranty Claims**

The Buyer must not notify a Claim against the Sellers and/or the Covenantors under or in connection with the Sellers' Warranties (other than a Claim in respect of the Tax Indemnity) unless the notification of the Claim is delivered to the Sellers within 2 years of the date of Completion and within 3 months of the Sellers receiving that notice, the Claim has been:

- (a) admitted or satisfied by the Sellers; or
- (b) settled between the Sellers and the Buyer; or

- (c) referred to a court of competent jurisdiction by the Buyer instituting and serving legal proceedings against the Sellers in relation to the Claim.

## **8.6 Limitation for known matters**

The Sellers and Covenantors are not liable to the Buyer for any Claim arising from or relating to a breach of a Sellers' Warranty if before Completion the Buyer is aware of the breach or anticipated breach and does not before Completion give written notice to the Sellers of the matter.

## **8.7 Mitigation**

The Buyer must take commercially reasonable actions to mitigate any loss suffered in respect of which a Claim could be made by the Buyer a Sellers' Warranty. Nothing in this Agreement restricts or limits any general obligation of the Buyer at law to mitigate any loss or damage.

## **8.8 Buyer's obligations**

- (a) Within 20 Business Days after receiving any Claim or demand or being served with any legal proceedings which the Buyer acting reasonably believes likely to lead to liability on the part of the Sellers and/or Covenantors under a Sellers' Warranty, the Buyer must give written notice to the Sellers setting out full details of the claim, demand or legal proceedings.
- (b) The Buyer must not accept, compromise or pay any Claim or demand or agree to arbitrate, compromise or settle any legal proceedings which the Buyer acting reasonably believes likely to lead to liability on the part of the Sellers under a Sellers' Warranty without the prior written approval of the Sellers, such approval not to be unreasonably withheld or delayed.
- (c) On receiving from the Sellers an indemnity against all damages, losses, liabilities, costs, expenses and payments which may result, (and only if such an indemnity is provided by the Sellers) the Buyer must take any action and provide any assistance the Sellers reasonably require to avoid, contest, compromise or defend any claim, demand or legal proceedings which may lead to liability on the part of the Sellers and Covenantors under any Claim including providing witnesses and documentary or other evidence and allowing the Sellers and their legal advisers to inspect and take copies of all relevant books, records, files and documents.

## **8.9 Reduction of Purchase Consideration**

The parties agree that any amount paid by the Sellers and Covenantors to the Buyer arising from or in connection with a Claim is and will be treated as a reduction in the Purchase Consideration.

## **8.10 Benefits received**

- (a) The Buyer must promptly reimburse the Sellers and Covenantors if:
  - (i) the Buyer recovers an amount under clause 8 and
  - (ii) a Group Company then receives an amount from a third party and this amount would have reduced the amount recovered by the Buyer if it had been received before the recovery.

- (b) The amount the Buyer must reimburse to the Sellers and Covenantors is equal to the amount a Group Company receives from the third party (less any costs reasonably incurred in obtaining the amount).

## 9. Employees

The parties acknowledge that INQ Management will offer the Employees employment with INQ Management as follows:

- (a) The offer will be conditional on Completion.
- (b) The employment offered will commence on the Completion Date.
- (c) The offer will require the Employee to resign from employment with the Company if the Employee accepts employment with INQ Management and if Completion also occurs.
- (d) The employment offered will be on substantially the same terms as the terms of the Employee's employment by the Company as at Completion.
- (e) The offer will provide for employment with INQ Management to commence and for continuity of employment and all benefits (such as personal leave, annual leave, long service leave, superannuation) to be recognised for the purposes of calculating the benefits and entitlements of each Employee.
- (f) INQ Management must make the offer at least 5 Business Days before the Completion Date.
- (g) The Sellers and the Buyer must each use reasonable endeavours to ensure that each Employee accepts the offer.
- (h) The Company will unconditionally release from its service the Employees who accept INQ Management's offer of employment.

## 10. Restrictive covenant

### 10.1 Restrictions

Each of Ian Litster, Darren Pettiona, and Suwandi Tan must not, in any capacity including on their own account or as a member, shareholder, unitholder, director, partner, joint venturer, employee, trustee, beneficiary, principal, agent, adviser, contractor, consultant, manager, associate, representative or financier or in any other way or by any other means:

- (a) during the period specified in clause 10.3 (**Restraint Period**) and in the area specified in clause 10.4 (**Restraint Area**) participate in, be interested in, assist with or otherwise be directly or indirectly involved, engaged, concerned or interested in a business, activity or operation that is the same as, substantially similar to, or competitive with, the Business or any material part of it (**Restrained Business**);
- (b) during the Restraint Period, solicit, canvas, approach or accept an approach from any person who is at Completion, or was at any time during the 6 month period ending on the Completion Date, a customer or supplier of the Business or a Group Company, with any purpose of, or having the effect of, obtaining the custom or services of that person in a Restrained Business;

- (c) during the Restraint Period, solicit, canvas, encourage, or induce, or endeavour to do so, any person who is at Completion, or was at any time during the 6 month period ending on the Completion Date, a director, employee, agent, associate, contractor or advisor of a Group Company, to leave the office, employment or agency of, or association with, a Group Company;
- (d) during the Restraint Period, interfere with the business of a Group Company or divulge to any person any information concerning the business of the Group Company or any of its dealings, transactions or affairs; or
- (e) during the Restraint Period, interfere to the detriment of a Group Company with the relationship between a Group Company and its clients, customers, employees or suppliers.

## **10.2 Affiliates**

Each of Ian Litster, Darren Pettiona, and Suwandi Tan must ensure that no spouse or relative (as defined in the Corporations Act) of Ian Litster, Darren Pettiona, or Suwandi Tan, in each case respectively, or spouse of such a relative, and who was either an employee, consultant or contractor to a Group Company at any time in the 12 months before Completion (each an **Affiliate**) does any of the things that the Seller cannot do under clause 10.1.

## **10.3 Restraint Period**

The period referred to in clause 10.1 is each of the following periods separately:

- (a) 3 years from the Completion Date
- (b) 2 years from the Completion Date;
- (c) 1 year from the Completion Date;

## **10.4 Restraint Area**

The area referred to in clause 10.1 is each of the following areas separately:

- (a) An area within 10 KM of the GPO of Sydney;
- (b) Sydney;
- (c) New South Wales; and
- (d) Melbourne.

## **10.5 Permitted involvement**

For the avoidance of doubt, (and as it is understood that each of Ian Litster, Darren Pettiona, and Suwandi Tan and the employees of the Group Companies will join the Buyer to execute the agreed strategies after Completion) nothing in this clause 9 prevents Ian Litster, Darren Pettiona, or Suwandi Tan from pursuing and conducting the business that is agreed with the Buyer that will be conducted after Completion.

Nothing in this clause 9 prevents Ian Litster, Darren Pettiona, or Suwandi Tan holding in aggregate less than 5% of the issued shares of a body corporate, or

interests in a registered managed investment scheme, included on the official list of a Financial Market.

## **10.6 Independence of restrictions**

Each:

- (a) covenant in the paragraphs of clauses 10.1 and 10.2;
- (b) paragraph of the Restraint Period definition in clause 10.3; and
- (c) paragraph of the Restraint Area definition in clause 10.4,

is a separate and independent covenant. They can be combined and each combination is a separate covenant and restriction, although they are cumulative in effect.

## **10.7 Severability**

For the avoidance of any doubt, if any of the separate and independent covenants or restrictions set out in this clause 9 is or becomes invalid or unenforceable for any reason:

- (a) clause 16.6 of this Agreement applies; and
- (b) without limiting the operation of that clause, if the covenant or restriction in question would be valid or enforceable if any activity was deleted or the area or time was reduced, then the clause must be read down by deleting that activity, or reducing that period or area, to the minimum extent necessary to achieve that result.

## **10.8 Reasonableness of restraint**

Each of Ian Litster, Darren Pettiona, and Suwandi Tan acknowledge that each of the restrictions imposed by this clause 9:

- (a) is reasonable in its extent (as to duration, geographical area and restrained conduct) having regard to the interests of each party to this Agreement; and
- (b) extends no further, in any respect, than is reasonably necessary and is solely for the protection of the Buyer in respect of the goodwill of the Business and the Shares.

## **10.9 Liability**

A party will only be liable to the Buyer for that party's own breach of this clause 9.

## **10.10 Legal advice**

Each of Ian Litster, Darren Pettiona, and Suwandi Tan acknowledge that in relation to this Agreement and in particular this clause 9, he has received legal advice or has had the opportunity of obtaining legal advice.

## **10.11 Injunction**

Each of Ian Litster, Darren Pettiona, and Suwandi Tan acknowledge and agrees that monetary damages alone may not be adequate compensation to the Buyer



for a breach of this clause 9 and that the Buyer is entitled to seek injunctive relief from a court of competent jurisdiction if:

- (a) there is a failure to comply with any obligation under this clause 9 or a threat to do so; or
- (b) the Buyer has reason to believe there will be non-compliance with any obligation under this clause 9.

## **11. Assistance in relation to change of control**

### **11.1 Consent of other persons**

If any contract requires the consent (**Required Consent**) of the relevant lessor, licensor or counterparty (each a **Contract Party**) as a consequence of the sale or proposed sale of the Shares to the Buyer, from the Completion Date until the Required Consent is obtained, and to the fullest extent permitted by the terms of that contract:

- (a) the Sellers and the Buyer must each continue to use their reasonable endeavours to obtain the Required Consent as soon as possible;
- (b) in respect of the period from Completion until the Required Consent is obtained, the Buyer must procure that the obligations of a Group Company under the Relevant Contract are observed and performed; and
- (c) the Buyer agrees to be liable for any Claim or Liability that may be suffered or incurred by the Sellers or any of their Related Corporations arising out of any such contract in relation to events or circumstances occurring after Completion and the Buyer must pay the Sellers an amount equal to a Liability arising from or in connection with any breach or non-performance after Completion of any provision of any such contract as and when the amount is due to a Contract Party.

### **11.2 Disclosure of Confidential Information**

- (a) A party may disclose Confidential Information to any Contract Party but only for the purpose of securing, and only to the extent necessary to secure, the Required Consent of that Contract Party or otherwise to comply with the Sellers' or a Group Company's obligations to the Contract Party.
- (b) The provisions of clause 13 apply to any disclosure of Confidential Information under clause 11.2(a) as if the Contract Party were a Recipient (as defined in clause 13.3).

## **12. Public announcements**

### **12.1 Making announcements**

A party must not make, or authorise or cause to be made, any public announcement relating to the negotiations between the parties or the subject matter of this Agreement unless:

- (a) it has the prior written consent of each other party; or

- (b) it is required to do so by law or by the rules of any financial market (as defined in the Corporations Act) to which a party, or a Related Corporation of a party, is subject.

## **12.2 Requirements**

If a party is required to make a public announcement under clause 12.1(b), it must before doing so, to the extent practicable and as soon as reasonably possible:

- (a) notify each other party of the proposed announcement;
- (b) consult with each other party as to its content; and
- (c) use reasonable endeavours to comply with any reasonable request by any other party concerning the proposed announcement.

## **12.3 Survival of clause**

Despite any other provision of this Agreement, this clause 12 survives the expiry or termination of this Agreement.

# **13. Confidentiality**

## **13.1 Obligations of confidentiality**

Subject to clauses 13.2, 13.3 and 11.2, the Receiving Party must:

- (a) keep the Confidential Information confidential and not directly or indirectly disclose, divulge or communicate any Confidential Information to, or otherwise place any Confidential Information at the disposal of, any other person without the prior written approval of the Disclosing Party;
- (b) take all reasonable steps to secure and keep secure all Confidential Information coming into its possession or control;
- (c) only use the Confidential Information for the purposes of performing, and to the extent necessary to perform, its obligations under this Agreement;
- (d) not memorise, use, modify, reverse engineer or make copies, notes or records of the Confidential Information for any purpose other than in connection with the performance by the Receiving Party of its obligations under this Agreement; and
- (e) take all reasonable steps to ensure that any person to whom the Receiving Party is permitted to disclose Confidential Information under clause 13.3 complies at all times with the terms of this clause 13 as if that person were a Receiving Party.

## **13.2 Exceptions**

The obligations of confidentiality under clause 13.1 do not apply to:

- (a) any Confidential Information that:
  - (i) is disclosed to the Receiving Party by a third party entitled to do so, whether before or after the date of this Agreement;

- (ii) was already lawfully in the Receiving Party's possession when it was given to the Receiving Party and was not otherwise acquired from the Disclosing Party directly or indirectly; or
  - (iii) is generally available to the public at the date of this Agreement or subsequently becomes so available other than by reason of a breach of this Agreement; or
- (b) any disclosure of Confidential Information by the Receiving Party that is necessary to comply with any court order, law, or the ASX Listing Rules if, to the extent practicable and as soon as reasonably possible, the Receiving Party:
  - (i) notifies the Disclosing Party of the proposed disclosure;
  - (ii) consults with the Disclosing Party as to its content; and
  - (iii) uses reasonable endeavours to comply with any reasonable request by the Disclosing Party concerning the proposed disclosure.

### 13.3 Authorised disclosure

A Receiving Party may disclose Confidential Information to any Related Entity, employee, agent, contractor, officer, professional adviser, banker, auditor or other consultant of the Receiving Party (each a **Recipient**) only if the disclosure is made to the Recipient strictly on a "need to know basis" and, prior to the disclosure:

- (a) the Receiving Party notifies the Recipient of the confidential nature of the Confidential Information to be disclosed;
- (b) the Recipient undertakes to the Receiving Party (for the benefit of the Disclosing Party) to be bound by the obligations in this clause 13 as if the Recipient were a Receiving Party in relation to the Confidential Information to be disclosed to the Recipient; and
- (c) if requested to do so by the Disclosing Party, the Recipient signs an undertaking or deed in a form acceptable to the Disclosing Party (and for the benefit of the Disclosing Party) agreeing to be bound by the obligations in this clause 13 as if it were a Receiving Party in relation to the Confidential Information to be disclosed to the Recipient.

### 13.4 Return or destruction of Confidential Information

Immediately on the written request of the Disclosing Party upon the termination of this Agreement for any reason, a Receiving Party must:

- (a) cease the use of all Confidential Information of or relating to the Disclosing Party (or any Related Entity of the Disclosing Party);
- (b) deliver to the Disclosing Party all documents and other materials in its possession or control containing, recording or constituting that Confidential Information or, at the option of the Disclosing Party, destroy, and certify to the Disclosing Party that it has destroyed, those documents and materials; and

- (c) for Confidential Information stored electronically, permanently delete that Confidential Information from all electronic media on which it is stored, so that it cannot be restored.

### 13.5 Warranties

The Disclosing Party warrants to the Receiving Party that:

- (a) it has the right to disclose Confidential Information to the Receiving Party and to authorise the Receiving Party to use the Confidential Information as permitted by this Agreement; and
- (b) the use of the Confidential Information as permitted by this Agreement does not breach the intellectual property rights of any other person.

### 13.6 Liability for breach by recipient

The Receiving Party is liable for any breach of this clause 13 by a Recipient as if the Recipient were a Receiving Party in relation to the Confidential Information disclosed to the Recipient.

### 13.7 Indemnity from Receiving Party

The Receiving Party indemnifies and must keep indemnified the Disclosing Party against all Claims that may be brought against the Disclosing Party or which the Disclosing Party may pay, sustain or incur as a direct or indirect result of:

- (a) any breach by the Receiving Party or a Recipient of this clause 13; or
- (b) any breach of confidence by a Recipient in circumstances where the Receiving Party has breached this clause 13.

### 13.8 Survival of clause

Despite any other provision of this Agreement, this clause 13 survives the expiry or termination of this Agreement.

## 14. GST

### 14.1 Definitions

In this clause 14:

- (a) the expressions **Consideration**, **GST**, **Input Tax Credit**, **Recipient**, **Supply**, **Tax Invoice** and **Taxable Supply** have the meanings given to those expressions in the *A New Tax System (Goods and Services Tax) Act 1999* (**GST Act**); and
- (b) **Supplier** means any party treated by the GST Act as making a Supply under this Agreement.

### 14.2 Consideration is GST exclusive

Unless otherwise expressly stated, all prices or other sums payable or Consideration to be provided under or in accordance with this Agreement are exclusive of GST.

### 14.3 Payment of GST

- (a) If GST is imposed on any Supply made under or in accordance with this Agreement, the Recipient of the Taxable Supply must pay to the Supplier an additional amount equal to the GST payable on or for the Taxable Supply, subject to the Recipient receiving a valid Tax Invoice in respect of the Supply at or before the time of payment.
- (b) Payment of the additional amount must be made at the same time as payment for the Taxable Supply is required to be made in accordance with this Agreement.

### 14.4 Reimbursement of expenses

If this Agreement requires a party (the **First Party**) to pay for, reimburse, set off or contribute to any expense, loss or outgoing (**Reimbursable Expense**) suffered or incurred by the other party (the **Other Party**), the amount required to be paid, reimbursed, set off or contributed by the First Party will be the sum of:

- (a) the amount of the Reimbursable Expense net of Input Tax Credits (if any) to which the Other Party is entitled in respect of the Reimbursable Expense (**Net Amount**); and
- (b) if the Other Party's recovery from the First Party is a Taxable Supply, any GST payable in respect of that Supply,

such that after the Other Party meets the GST liability, it retains the Net Amount.

## 15. Party as trustee

### 15.1 Capacity

If any party (**Trustee**) enters into this Agreement in the capacity as trustee of any trust (**Trust**) under any trust deed, deed of settlement or other instrument (**Trust Deed**), and whether or not the other parties have notice of the Trust, then the Trustee enters into this Agreement both as trustee of the Trust and in its personal capacity.

### 15.2 Trustee's warranties

The Trustee represents and warrants that:

- (a) the Trustee has power under the Trust Deed and, in the case of a corporation, under its constitution, to enter into and execute this Agreement and to perform the obligations imposed under this Agreement as trustee;
- (b) all necessary resolutions have been passed as required by the Trust Deed and, in the case of a corporate Trustee, by its constitution, in order to make this Agreement fully binding on the Trustee;
- (c) the execution of this Agreement is for the benefit of the Trust;
- (d) the Trustee is not in default under the Trust Deed;
- (e) there is not now, and the Trustee will not do anything by virtue of which there will be in the future, any restriction or limitation on the right of the Trustee to be indemnified out of the assets of the Trust; and

- (f) there is no material fact or circumstance relating to the assets, matters or affairs of the Trust that might, if disclosed, be expected to affect the decision of the other parties, acting reasonably, to enter into this Agreement.

### **15.3 Change of Trustee**

If a change of Trustee occurs the party must promptly inform the Buyer and the Sellers of that change, and in any case within 2 Business Days of the change occurring.

## **16. General**

### **16.1 Nature of obligations**

- (a) Any provision in this Agreement which binds more than one person binds all of those persons jointly and each of them severally.
- (b) Each obligation imposed on a party by this Agreement in favour of another is a separate obligation.

### **16.2 Entire understanding**

- (a) This Agreement contains the entire understanding between the parties concerning the subject matter of the Agreement and supersedes all prior communications between the parties.
- (b) Each party acknowledges that, except as expressly stated in this Agreement, that party has not relied on any representation, warranty or undertaking of any kind made by or on behalf of the other party in relation to the subject matter of this Agreement.

### **16.3 No adverse construction**

This Agreement is not to be construed to the disadvantage of a party because that party was responsible for its preparation.

### **16.4 Further assurances**

A party, at its own expense and within a reasonable time of being requested by another party to do so, must do all things and execute all documents that are reasonably necessary to give full effect to this Agreement.

### **16.5 No waiver**

- (a) A failure, delay, relaxation or indulgence by a party in exercising any power or right conferred on the party by this Agreement does not operate as a waiver of the power or right.
- (b) A single or partial exercise of the power or right does not preclude a further exercise of it or the exercise of any other power or right under this Agreement.
- (c) A waiver of a breach does not operate as a waiver of any other breach.

**16.6 Severability**

If any provision of this Agreement offends any law applicable to it and is as a consequence illegal, invalid or unenforceable then:

- (a) where the offending provision can be read down so as to give it a valid and enforceable operation of a partial nature, it must be read down to the minimum extent necessary to achieve that result; and
- (b) in any other case the offending provision must be severed from this Agreement, in which event the remaining provisions of the Agreement operate as if the severed provision had not been included.

**16.7 Successors and assigns**

This Agreement binds and benefits the parties and their respective successors and permitted assigns under clause 16.8.

**16.8 No assignment**

A party cannot assign or otherwise transfer the benefit of this Agreement without the prior written consent of each other party.

**16.9 Consents and approvals**

Where anything depends on the consent or approval of a party then, unless this Agreement provides otherwise, that consent or approval may be given conditionally or unconditionally or withheld, in the absolute discretion of that party.

**16.10 No variation**

This Agreement cannot be amended or varied except in writing signed by the parties.

**16.11 Costs**

Each party must pay its own legal and professional costs of and incidental to the preparation and completion of this Agreement.

**16.12 Duty**

Any duty (including related interest or penalties) payable in respect of this Agreement or any instrument created in connection with it must be paid by the Buyer.

**16.13 Governing law and jurisdiction**

- (a) This Agreement is governed by and must be construed in accordance with the laws in force in New South Wales.
- (b) The parties submit to the exclusive jurisdiction of the courts of that State and the Commonwealth of Australia in respect of all matters arising out of or relating to this Agreement, its performance or subject matter.

## 16.14 Notices

Any notice or other communication to or by a party under this Agreement:

- (a) may be given by personal service, post or facsimile;
- (b) must be in writing, legible and in English addressed (depending on the manner in which it is given) as shown below:
  - (i) If to the Sellers or Covenantors, a notice to the following is accepted by each of the Sellers and Covenantors as a notice to each of them:

Address: Level 1, 415 Riversdale Road, Hawthorn East VIC 3123  
 Attention: Jason Entwistle  
 Facsimile: +61 3 9813 4882

- (ii) If to the Buyer:

Address: PO Box R521, Royal Exchange NSW 1225  
 Attention: Otto Buttula  
 Facsimile: +61 2 9247 6428

or to any other address last notified by the party to the sender by notice given in accordance with this clause;

- (c) in the case of a corporation, must be signed by an officer or authorised representative of the sender or in accordance with section 127 of the Corporations Act; and
- (d) is deemed to be given by the sender and received by the addressee:
  - (i) if delivered in person, when delivered to the addressee;
  - (ii) if posted, 2 Business Days (or 6, if addressed outside Australia) after the date of posting to the addressee whether delivered or not; or
  - (iii) if sent by facsimile transmission, on the date and time shown on the transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety and in legible form to the facsimile number of the addressee notified for the purposes of this clause,

but if the delivery or receipt is on a day which is not a Business Day or is after 4.00 pm (addressee's time), it is deemed to have been received at 9.00 am on the next Business Day.

## 16.15 Counterparts

If this Agreement consists of a number of signed counterparts, each is an original and all of the counterparts together constitute the same document.



**16.16 Conflicting provisions**

If there is any conflict between the main body of this Agreement and any schedules or annexures comprising it, then the provisions of the main body of this Agreement prevail.

**16.17 Non merger**

A term or condition of, or act done in connection with, this Agreement does not operate as a merger of any of the rights or remedies of the parties under this Agreement and those rights and remedies continue unchanged.

**16.18 Operation of indemnities**

Unless this Agreement expressly provides otherwise:

- (a) each indemnity in this Agreement survives the expiry or termination of this Agreement; and
- (b) a party may recover a payment under an indemnity in this Agreement before it makes the payment in respect of which the indemnity is given.

**16.19 Relationship of parties**

Unless this Agreement expressly provides otherwise, nothing in this Agreement may be construed as creating a relationship of partnership, of principal and agent or of trustee and beneficiary.

**Schedule 1: Parties detailed as Sellers and as Covenantors****Details of Shareholder 1**

| <b>Seller</b>                                                                                                                                        | <b>Covenantor</b> | <b>No. and class of Shares</b> |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------|
| F & H HALIM INVESTMENTS<br>PTY LTD ACN 127 089 525 as<br>trustee for the Halim Family<br>Trust<br>UNIT 31 7 VICTORIA PARK<br>PARADE ZETLAND NSW 2017 | Farris Halim      | 766707 Ordinary Shares         |

**Details of Shareholder 2**

| <b>Seller</b>                                                        | <b>Covenantor</b> | <b>No. and class of Shares</b> |
|----------------------------------------------------------------------|-------------------|--------------------------------|
| JANE CAROLINE SARAH<br>REES<br>3 SILVER STREET ST<br>PETERS NSW 2044 | N/A               | 697233 Ordinary Shares         |

**Details of Shareholder 3**

| <b>Seller</b>                                           | <b>Covenantor</b> | <b>No. and class of Shares</b> |
|---------------------------------------------------------|-------------------|--------------------------------|
| SIMON BISHOP<br>4206/393 PITT STREET<br>SYDNEY NSW 2000 | N/A               | 910200 Ordinary Shares         |

**Details of Shareholder 4**

| <b>Seller</b>                                                                                                                                       | <b>Covenantor</b> | <b>No. and class of Shares</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------|
| LITSTER & ASSOCIATES<br>PTY LIMITED ACN 075 565<br>749 as trustee for the Cynthia<br>& Cherine Trust<br>LEVEL 7 20 HUNTER<br>STREET SYDNEY NSW 2000 | Ian Litster       | 7499050 Ordinary Shares        |

**Details of Shareholder 5**

| <b>Seller</b>                                                     | <b>Covenantor</b> | <b>No. and class of Shares</b> |
|-------------------------------------------------------------------|-------------------|--------------------------------|
| DENISE LEANNE SARKIS<br>50 OWEN STREET EAST<br>LINDFIELD NSW 2070 | N/A               | 606800 Ordinary Shares         |

**Details of Shareholder 6**

| <b>Seller</b>                                                                                                              | <b>Covenantor</b> | <b>No. and class of Shares</b> |
|----------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------|
| SKYLYX PTY LTD ACN 125<br>935 775 as trustee for the Tan<br>Family Investment Trust<br>11 FRANCIS ST<br>NAREMBURN NSW 2065 | Suwandi Tan       | 6362743 Ordinary Shares        |

**Details of Shareholder 7**

| <b>Seller</b>                                                        | <b>Covenantor</b> | <b>No. and class of Shares</b> |
|----------------------------------------------------------------------|-------------------|--------------------------------|
| HUA TANG<br>UNIT 1407 5 ROCKDALE<br>PLAZA DRIVE ROCKDALE<br>NSW 2216 | N/A               | 385317 Ordinary Shares         |

**Details of Shareholder 8**

| <b>Seller</b>                                                                                                                               | <b>Covenantor</b> | <b>No. and class of Shares</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------|
| VITEL INTERACTIVE PTY<br>LTD ACN 059 123 803 as<br>trustee for the Pettiona Family<br>Trust<br>LEVEL 7, 20 HUNTER<br>STREET SYDNEY NSW 2000 | Darren Pettiona   | 7043950 Ordinary Shares        |

**Details of Shareholder 9**

| <b>Seller</b>                                                                                                              | <b>Covenantor</b> | <b>No. and class of Shares</b> |
|----------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------|
| ROJO GREEN PTY LTD ACN 146 840 333 as trustee for Rojo Superannuation Fund<br>UNIT 6 300 WATTLE TREE ROAD HOLGATE NSW 2250 | Robert Green      | 1,517,000 Ordinary Shares      |

**Details of Shareholder 10**

| <b>Seller</b>                                                                             | <b>Covenantor</b>               | <b>No. and class of Shares</b> |
|-------------------------------------------------------------------------------------------|---------------------------------|--------------------------------|
| WHITE OUTSOURCING PTY LIMITED ACN 114 914 215<br>LEVEL 7 20 HUNTER STREET SYDNEY NSW 2000 | Andrew Harrison & Peter Roberts | 5097120 Ordinary Shares        |

**Details of Shareholder 11**

| <b>Seller</b>                                                                                             | <b>Covenantor</b> | <b>No. and class of Shares</b> |
|-----------------------------------------------------------------------------------------------------------|-------------------|--------------------------------|
| EGG.AU PTY LTD ACN 087 559 564 as trustee for the JJE Family Trust<br>2 ROSEDALE ROAD, GLEN IRIS VIC 3146 | Jason Entwistle   | 2388527 Ordinary Shares        |

## Schedule 2: Group Companies

The following companies are each a Group Company and together constitute the Group Companies:

| Company                                                   | Registered Address                             | No. and class of Shares on issue |
|-----------------------------------------------------------|------------------------------------------------|----------------------------------|
| <b>HUB24 Pty Ltd</b><br><b>ACN 126 560 923</b>            | Level 7<br>20 Hunter Street<br>Sydney NSW 2000 | 33,274,647<br>Ordinary Shares    |
| <b>HUB24 Operations Pty Ltd</b><br><b>ACN 140 763 775</b> | Level 7<br>20 Hunter Street<br>Sydney NSW 2000 | 1 Ordinary Share                 |
| <b>HUB24Services Pty Ltd</b><br><b>ACN 135 438 603</b>    | Level 7<br>20 Hunter Street<br>Sydney NSW 2000 | 200,000 Ordinary Shares          |

## **Schedule 3: Warranties**

### **Sellers' Warranties**

#### **Schedule 3 – Part A – General Warranties**

##### **1. Warranty 1 – Shares**

- (a) Each Seller is the legal owner of the Shares shown opposite its name in Schedule 1 which on Completion will be free of all Security Interests and has full power to dispose of the legal and beneficial ownership of its Shares.
- (b) Each Seller is able to sell and transfer its Shares without the consent of any other person and free of any pre-emptive rights or rights of first refusal.
- (c) The Shares are fully paid and no money is owing in respect of them.
- (d) The Shares have been properly issued and are free of any encumbrances.
- (e) The execution, delivery and performance by each Seller of this Agreement complies with:
  - (i) each law, regulation, Authorisation, ruling, judgment, order or decree of any Government Agency applicable to that Seller;
  - (ii) the constitution or other constituent documents of that Seller; and
  - (iii) any Security Interest or document which is binding on that Seller in relation to the Shares.
- (f) Each Seller has taken all necessary action to authorise the execution, delivery and performance of this Agreement in accordance with its terms.

##### **2. Warranty 2 – Share Capital and Authority**

- (a) The issued share capital of each Group Company is at the date of this Agreement, and will immediately before Completion, be as set out in Schedule 2.
- (b) Each Group Company is under no obligation to issue, and has not granted any person the right to call for the issue, of any shares or other securities of the Group Company.
- (c) Each Group Company:
  - (i) is a limited company;
  - (ii) has the power to own its Assets and together the Group Companies have the power carry on the Business as it is now being conducted; and
  - (iii) is not registered in any place outside its place of incorporation.

- (d) The business affairs of each Group Company have at all material times been conducted in accordance with its constitution.

### **3. Warranty 3 - The Accounts**

- (a) The Accounts disclose a true & fair view of the affairs, financial position and assets and liabilities of the Group Companies as at the Accounts Date and of the income, expenses, results of operations and cash flow of the Group Companies on the Accounts Date;
- (b) The Accounts have been prepared in accordance with accounting principles and practices generally accepted in Australia, comply with the requirements of the Corporations Act and the Accounting Standards;
- (c) The income and profits of each Group Company disclosed in the Accounts have not resulted from:
  - (i) transactions entered into other than on normal commercial terms; or
  - (ii) other factors rendering the profits for the relevant period abnormally high.
- (d) The Accounts are not affected by any unusual, abnormal, extraordinary, exceptional or non-recurring items;
- (e) The Accounts provide appropriately for all known actual liabilities and material financial commitments of each Group Company at the Accounts Date, including all Tax liabilities; and note appropriately all known contingent liabilities of a Group Company at the Accounts Date;
- (f) Any profits disclosed in the Accounts were not affected by any unusual or non recurring item; and
- (g) The Accounts contain accurate and sufficient provisions for all entitlements of Employees including leave entitlements, including but not limited to annual leave, personal leave and long service leave.

### **4. Warranty 4 - Position since Accounts Date**

Other than as disclosed to the Buyer in writing before the date of this Agreement, since the Accounts Date:

- (a) there has been no material changes in the assets, liabilities, turnover, earnings, financial conditions, trading position or affairs of a Group Company.
- (b) the business affairs of each Group Company have been conducted in the ordinary course of ordinary business and consistently with the usual practice of the Group Company;
- (c) each Group Company has not acquired or disposed of any material assets except in the ordinary course of ordinary business;
- (d) each Group Company has not incurred any material liability other than in the ordinary course of ordinary business;

- (e) there has been no material adverse change in the financial position of a Group Company;
- (f) no dividends, bonus issues or other distributions or repayments of shareholders' loans have been declared, made or paid to any member of a Group Company except as disclosed or as provided in this Agreement;
- (g) a Group Company has not paid any management fee or similar amount excluding for all purposes any non-executive directors' fees; and
- (h) a Group Company has not distributed or returned any capital to its members.

## **5. Warranty 5 – Disclosure and accuracy of information**

- (a) In relation to each Group Company, all material information that is:
  - (i) known to the Seller or Covenantor relating to the Shares, the Group Company, the Business or otherwise relevant to the subject matter of this Agreement; and
  - (ii) material to a buyer of the Shares,
 has been disclosed in writing to the Buyer.
- (b) The information set out in Schedules 4, and 7 of this Agreement is true, accurate and not misleading (whether by omission or otherwise) in any material respect.
- (c) So far as the Sellers are aware, in relation to the written information comprising the Disclosures if the information comprised current or historical data about the Business prepared by a Group Company, that data was true and correct in all material respects.
- (d) The information in the Schedules (except for the Accounts, to which Seller's Warranty 3 applies) is true and accurate in all material respects and is not misleading.
- (e) All information disclosed or contained in the Disclosures which a Seller, a Covenantor, a Group Company or any of their respective employees, agents or advisers have given to the Buyer or its advisers relating to the Business, the activities, affairs, assets and liabilities of a Group Company (including information from which the Buyer has included information in the notice of meeting to INQ shareholders) and the subject matter of this Agreement was prepared with reasonable care and is, and was when given, true and accurate in all material respects.

## **6. Warranty 6 - Assets**

Other than as disclosed to the Buyer in writing, all the material tangible Assets which are used in the Business are:

- (a) in the possession of a Group Company;
- (b) used solely by the Group Companies;
- (c) the absolute property of the Group Companies free of all Security Interests (except as where otherwise disclosed in writing);



- (d) not the subject of any lease or hire purchase agreement or agreements for purchase on deferred terms; and
- (e) together with the Leased Property, sufficient to continue conducting the Business as presently conducted.

## **7. Warranty 7 – Guarantees and Encumbrances**

- (a) No Group Company:
  - (i) has entered into a guarantee, covenant, indemnity, pledge, security class order or letter of comfort or agreed to do so;
  - (ii) is obliged in any way to guarantee, assume or provide funds to satisfy an obligation of any person;
  - (iii) owes any loan money to an employee or shareholder;
  - (iv) is owed money by any employee or a shareholder;
  - (v) has entered into any agreement with any financier to obtain financial accommodation or has agreed to do so other than incurring credit in the ordinary course of trading; or
  - (vi) has granted any person any Encumbrance over, or declared itself trustee of, any of its assets or has agreed to do so,

except for the Group Companies' documents and disclosures that have been provided to the Buyer prior to the date of this Agreement.

## **8. Warranty 8 - Property**

- (a) Each Group Company has no interest in any land except for its interest in the Leased Property.
- (b) The Group Companies have exclusive occupation and quiet enjoyment of the Leased Property and hold all rights and privileges necessary or appropriate for the conduct of the Business.
- (c) The Group Companies are not in material breach of any agreement or other right affecting the Leased Property.
- (d) So far as the Sellers are aware, no Group Company has received notice from any third party in respect of the Leased Property and, so far as it is aware, no proposal has been made which may adversely affect any part of any of the Leased Property or a Group Company's use of it.

## **9. Warranty 9 - Security Interests**

Each Group Company has granted or created, or agreed to grant or create, and is a party to only those loans, guarantees, letters of comfort, indemnities, finance leases, or Security Interests disclosed in the Disclosures.

## **10. Warranty 10 - Contracts**

- (a) The Disclosures contain details of all contracts to which the Group Companies are a party which:

- (i) are not within the ordinary course of ordinary business;
  - (ii) are not on arm's length terms;
  - (iii) are not capable of complete performance or termination without payment of damages, within 12 months from the date of this Agreement;
  - (iv) restrict its freedom to engage in any activity or business in any area;
  - (v) are contracts which are expected to result in expenditure by a Group Company of more than \$10,000;
  - (vi) are distribution, agency or customer supply agreements;
  - (vii) are material to the conduct of the Business; or
  - (viii) under which the Business gains or maintains Intellectual Property Rights that are material or significant to the Business.
- (b) No Group Company is and, so far as the Sellers are aware, no other party to any contract with a Group Company is in default under a contract where such breach or default would be materially and adversely prejudicial to the Group Company in carrying on the Business as currently carried on.

#### **11. Warranty 11 - Delegations and offers**

- (a) No power of attorney given by a Group Company is in force.
- (b) Any offer, tender or quotation made by a Group Company in respect of the Business which is outstanding and capable of acceptance by a third party, was made in the ordinary course of ordinary business.

#### **12. Warranty 12 - Corporate structure**

A Group Company is not:

- (a) the holder or the beneficial owner of any shares or other capital or securities convertible into shares or other capital in any other company except as set out in the Disclosures or in this Agreement; or
- (b) a member of any joint venture, partnership or unincorporated association (other than a recognised trade association).

#### **13. Warranty 13 - Employees**

- (a) Each Employee is employed exclusively by a Group Company.
- (b) Other than contributions to the Fund, a Group Company is not liable to pay any allowance, annuity, benefit, lump sum, pension, premium or other payment with the exception of applicable notice and/or severance, annual leave and/or long service leave in respect of the death, disability, retirement or cessation of employment of any Employee or any former employee of the Group Company.

- (c) Details of all the material terms and conditions of employment of all the Employees have been provided in writing to the Buyer.
- (d) So far as the Sellers are aware, each Group Company has in relation to its employment of the Employees at all material times complied with all material obligations to Employees whether arising under contract, statute or the provisions of any applicable industrial instrument.
- (e) No Group Company has been involved in any material industrial dispute or dispute relating to the terms and conditions of employment of the Employees with any Employees or industrial organisation on behalf of the Employees at any time within the 2 years preceding the date of this Agreement and the Sellers are not aware of any circumstances likely to give rise to any material industrial dispute.
- (f) No director of a Group Company is entitled to any notice, severance or other payment arising from the cessation of their employment or under the terms of any contract or arrangement between them and the Company with the exception of any accrued and untaken statutory leave entitlements and any amount due to them under the terms of the Fund.

#### **14. Warranty 14 - Superannuation**

- (a) The Fund is the only superannuation scheme or other pension arrangement to which a Group Company contributes which provides its directors (excluding non-executive directors) or Employees with pensions, annuities or lump sum payments.
- (b) With respect to the Fund, there are no contributions on the part of a Group Company or any Employee which are overdue for payment.

#### **15. Warranty 15 - Compliance with law**

- (a) So far as the Sellers are aware, there are no instances of non-compliance with applicable laws by a Group Company in relation to its ownership and use of its Assets in carrying on the Business where such non-compliance would result in a liability or restriction materially and adversely affecting the Business as currently carried on by the Group Company.
- (b) So far as the Sellers are aware, each Group Company has all necessary Authorisations required to conduct the Business as currently carried on, has paid all fees due in relation to them and is not in breach of any conditions under them where such breach would be likely to have a material and adverse effect on the Business as currently carried on by the Group Company.
- (c) Each Group Company has in place the necessary licences and compliance frameworks under Australian Financial Services laws to provide those financial services that it offers and delivers to customers.

#### **16. Warranty 16 - Litigation**

- (a) A Group Company is not:
  - (i) a party to any material investigation, prosecution, litigation, arbitration proceedings or any other form of mediation or dispute resolution; or

- (ii) subject to any material audit or investigation by any Government Agency.
- (b) So far as the Sellers are aware, no audit, investigation, prosecution, litigation, proceeding or any other form of mediation or dispute resolution referred to in Warranty 18.1 is pending or threatened.
- (c) So far as the Sellers are aware, there are no circumstances which might give rise to any audit, investigation, prosecution, litigation, proceeding or any other form of mediation referred to in Warranty 16(a).

#### **17. Warranty 17 - Solvency**

- (a) No Group Company has gone into liquidation or passed a winding up resolution or received a deregistration notice under section 601AB or applied for deregistration under section 601AA of the Corporations Act.
- (b) No petition or other process for winding up has been presented or threatened at any material time against a Group Company and there are no circumstances justifying a petition or other process.
- (c) No writ of execution has been issued against a Group Company or the property of a Group Company at any material time and there are no circumstances justifying a writ.
- (d) No receiver, receiver and manager or administrator of any part of the undertaking or assets of a Group Company has been appointed or is threatened or expected to be appointed and there are no circumstances justifying an appointment.

#### **18. Warranty 18 - Records and constituent documents**

- (a) All accounts, books, ledgers and financial and other records of a Group Company:
  - (i) comply in all material respects with all legal requirements;
  - (ii) are in the possession or under the control of the Group Company;
  - (iii) have been fully, properly and accurately kept and completed and will continue to be up to Completion.
- (b) The Sellers have supplied accurate and up to date copies of the constitution of each Group Company to the Buyer.
- (c) So far as the Sellers are aware, each Group Company has not received notice of any application or intended application for the rectification of its register of members or any other register which it is required by law to maintain.

#### **19. Warranty 19 – Insurance**

- (a) The Disclosures contain particulars of all current insurances and cover notes taken out by, or for the benefit of, the Group Company.
- (b) All insurances referred to in Sellers' Warranty 19(a) are currently in full force and effect, all premiums due under them have been paid and, so

far as the Sellers are aware, nothing has been done or omitted to be done which would make any of them void, voidable or unenforceable.

**20. Warranty 20 – Australian Financial Services Licence**

- (a) HUB24 Services Pty Ltd is the holder of Australian Financial Services Licence (**AFSL**) number 335348.
- (b) HUB24 Services Pty Ltd has adopted in relation to the AFSL, appropriate compliance policies and management structures that enable it to comply with the terms of the AFSL, the Corporations Act and relevant regulations and guidance published by ASIC.
- (c) So far as the Sellers are aware, having made due enquires and taken reasonable steps, the compliance and management structures that HUB24 Services Pty Ltd has in place in relation to its AFSL are adequate and comply with regulatory requirements.

**Schedule 3 – Part B – Tax and Intellectual Property Rights**

**21. Warranty 21 – Taxes and Duties**

- (a) Any Tax arising under any Tax Law and now due and payable in respect of any transaction, income or asset of the Group Company has been paid.
- (b) Adequate provision has been made in the Accounts for any Tax on each Group Company which is payable or may become payable in respect of any transaction or income occurring or arising before the Accounts Date but which was unpaid as at the Accounts Date.
- (c) Any obligation on a Group Company under any Tax Law to withhold amounts at source, including withholding tax, PAYE tax, Prescribed Payments System tax and royalties, has been complied with.
- (d) Any Duty payable in respect of any Tax Law in relation to any transaction or agreement to which a Group Company is or has been a party or by which the Group Company derives, or has derived a substantial benefit has been paid.
- (e) The Group Company has maintained proper and adequate records to enable it to comply with its obligations to:
  - (i) prepare and submit any information, notices, computations, returns, declarations, elections and payments required in respect of any Tax Law;
  - (ii) prepare any accounts necessary for the compliance of any Tax Law; and
  - (iii) retain necessary records as required by any Tax Law.
- (f) So far as the Sellers are aware, the Group Company has submitted any necessary information, notices, computations, returns, declarations and elections to the relevant Government Agency in respect of any Tax or any Duty relating to the Group Company.

- (g) Any information, notice, computation, return, declaration or election which has been submitted by the Group Company to a Government Agency in respect of any Tax or Duty:
  - (i) discloses all material facts that should be disclosed under any Tax Law; and
  - (ii) has been submitted on time.
- (h) All copies of any information, notice, computation, return, declaration or election return submitted by the Group Company in respect of any Tax or Duty which have been supplied to the Buyer by the Sellers or their advisers are true and complete copies of the originals.
- (i) The office of public officer of the Group Company as required under any Tax Law has been occupied at all material times.
- (j) The Group Company has no outstanding disputes with any Government Agency in respect of any Tax or Duty.
- (k) No Group Company:
  - (i) has entered into or been a party to any transaction which contravenes the anti-avoidance provisions of any Tax law;
  - (ii) has taken any action which has or might alter or prejudice any arrangement, agreement or Tax ruling which has previously been negotiated with or obtained from any Government Agency; and
  - (iii) has made any income Tax private binding ruling requests, objections or amended assessments with respect to its lodged income Tax returns.

## **22. Warranty 22 – Intellectual Property Rights**

- (a) Schedule 5 contains a complete and accurate list of all Intellectual Property Rights owned, created or used by the Company or a Group Company.
- (b) The Group Companies are the legal and beneficial owners of the Owned Intellectual Property Rights.
- (c) The Group Companies do not use or require in the Business any business names, trademarks, service marks, trade names, copyright, patents, patent applications, confidential information or other Intellectual Property Rights other than the Owned Intellectual Property Rights, and the Intellectual Property Licences.
- (d) The Group Companies have not dealt with or granted to any person any rights in respect of the Owned Intellectual Property Rights or the Intellectual Property Licences by way of licence or in any other way except in the ordinary course of the Business.
- (e) The Intellectual Property Licences comprise all the licences and agreements to use any copyright, patent, trade mark, service mark, design, business name, trade secret, confidential information or other intellectual or industrial property to which a Group Company is a party.

- (f) The Intellectual Property which is capable of registration by a Group Company has been registered by the Group Company and each registration is valid and in full force and effect. No person has sought or threatened to seek the cancellation of any such registration.
- (g) Each Group Company has taken all necessary and appropriate steps to protect the Intellectual Property it owns or has created.
- (h) No Group Company in carrying on its business or by the use of the Intellectual Property:
  - (i) infringes the intellectual or industrial property of another person; or
  - (ii) breaches an obligation of confidence owed to another person;
 and no claim of any such infringement or breach has been made or threatened against a Group Company.
- (i) No right, title or interest in the Intellectual Property owned or created by a Group Company is or has been at any time:
  - (i) infringed or under threat of infringement or subject to a claim of invalidity or in the case of confidential information misused or disclosed in breach of confidence; or
  - (ii) become subject to any licence in favour of, or used by, any third party.
- (j) Other than in respect of the Intellectual Property Licences, there are no royalties, licence fees or other similar fees payable by any Group Company in connection with the use of any Intellectual Property Rights.
- (k) Each of the Intellectual Property Licences under which a Group Companies uses any Intellectual Property Rights is valid, binding and enforceable. Each Group Companies and each licensor is in compliance with the terms, conditions and other provisions of each Intellectual Property Licence and no circumstances exist which might cause any of them to be terminated.
- (l) No Group Company has carried on business under any name other than its corporate name or a validly registered business names in all applicable jurisdictions.

**Schedule 4: Shares Sold at Completion****HUB24 Pty Ltd ACN 126 560 923**

| <b>Seller</b>                                                                               | <b>Shares sold at Completion</b>            | <b>%</b>    |
|---------------------------------------------------------------------------------------------|---------------------------------------------|-------------|
| F & H HALIM INVESTMENTS PTY LTD ACN 127 089 525 as trustee for the Halim Family Trust       | 766,707                                     | 2.30%       |
| JANE CAROLINE SARAH REES                                                                    | 697,233                                     | 2.10%       |
| SIMON BISHOP                                                                                | 910,200                                     | 2.74%       |
| LITSTER & ASSOCIATES PTY LIMITED ACN 075 565 749 as trustee for the Cynthia & Cherine Trust | 7,499,050                                   | 22.54%      |
| DENISE LEANNE SARKIS                                                                        | 606,800                                     | 1.82%       |
| SKYLYX PTY LTD<br>ACN 125 935 775 as trustee for the Tan Family Investment Trust            | 6,362,743                                   | 19.12%      |
| HUA TANG                                                                                    | 385,317                                     | 1.16%       |
| VITEL INTERACTIVE PTY LTD<br>ACN 059 123 803 as trustee for the Pettiona Family Trust       | 7,043,950                                   | 21.16%      |
| ROJO GREEN PTY LTD (ACN 146 840 333) as trustee for Rojo Superannuation Fund                | 1,517,000                                   | 4.56%       |
| WHITE OUTSOURCING PTY LIMITED ACN 114 914 215                                               | 5,097,120                                   | 15.32%      |
| EGG.AU PTY LTD<br>ACN 087 559 564 as trustee for the JJE Family Trust                       | 2,388,527                                   | 7.18%       |
| <b>Total</b>                                                                                | <b>33,274,647</b><br><b>Ordinary Shares</b> | <b>100%</b> |



## Schedule 5: Intellectual Property Rights and Licences

### Schedule 3: Warranties in relation to Intellectual Property

The following Intellectual Property Licences are held by one or more Group Companies:

(a) List of third party components used within HUB24 software

| Component          | License                                                                                                         | Free/Paid |
|--------------------|-----------------------------------------------------------------------------------------------------------------|-----------|
| AjaxControlToolkit | <a href="http://ajaxcontroltoolkit.codeplex.com/license">http://ajaxcontroltoolkit.codeplex.com/license</a>     | Free      |
| CSSFriendly        | <a href="http://cssfriendly.codeplex.com/license">http://cssfriendly.codeplex.com/license</a>                   | Free      |
| DotNetZip          | <a href="http://dotnetzip.codeplex.com/license">http://dotnetzip.codeplex.com/license</a>                       | Free      |
| Dundas             | <a href="http://www.dundas.com/">http://www.dundas.com/</a>                                                     | Paid      |
| iTextSharp*        | <a href="http://sourceforge.net/projects/itextsharp/">http://sourceforge.net/projects/itextsharp/</a>           | Free      |
| pinEdit            | <a href="http://www.hallogram.com/pinedit/index.html">http://www.hallogram.com/pinedit/index.html</a>           | Paid      |
| RealWorldGrids     | <a href="http://aspnetrealworldcontr.codeplex.com/license">http://aspnetrealworldcontr.codeplex.com/license</a> | Free      |
| Telerik            | <a href="http://www.telerik.com/">http://www.telerik.com/</a>                                                   | Paid      |

\* see Disclosure Letter re this component

(b) List of third party software licenses

| Software                  | We need | We have | need to buy | unit price | Cost     |
|---------------------------|---------|---------|-------------|------------|----------|
| Microsoft XP              | 3       | 2       | 1           | \$ 385     | \$ 385   |
| Microsoft Vista           | 8       | 8       | 0           |            | \$ -     |
| Microsoft Windows 7       | 4       | 4       | 0           |            | \$ -     |
| Microsoft SBS 2003        | 2       | 2       | 0           |            | \$ -     |
| Microsoft Server 2003     | 1       | 0       | 1           | \$ 1,190   | \$ 1,190 |
|                           |         |         |             |            |          |
| Visual Studio 2005 + MSDN | 5       | 1       | 4           | \$ 1,895   | \$ 7,580 |
| Microsoft Office 2007     | 12      | 7       | 5           | \$ 236     | \$ 1,180 |
| Microsoft Office 2010     | 1       | 1       | 0           | \$ 236     | \$ -     |
| Snag It                   | 4       | 1       | 3           | \$ 60      | \$ 180   |
| Telerik                   | 2       | 1       | 1           | \$ 832     | \$ 832   |
| Dundas                    | 2       | 1       | 1           | \$ 800     | \$ 800   |
| PinEdit                   | 2       | 1       | 1           | \$         | \$       |

|                    |    |    |   |              |                  |
|--------------------|----|----|---|--------------|------------------|
|                    |    |    |   | 300          | 300              |
|                    |    |    |   |              |                  |
| Macrium Reflect    | 1  | 1  | 0 |              | \$ -             |
| Resharper          | 1  | 1  | 0 |              | \$ -             |
| Symantec Anitvirus | 15 | 15 | 0 |              | \$ -             |
|                    |    |    |   |              |                  |
|                    |    |    |   | <b>Total</b> | <b>\$ 12,447</b> |

- (c) The following items of Intellectual Property have been developed by one or more of the Group Companies (Owned Intellectual Property Rights):

#### **HUB24 Portfolio Service System**

The HUB24 Portfolio Service System is a web-based proprietary software system that has been developed to provide the features and functionality of the Managed Discretionary Account Service (MDA) as described in detail in the HUB24 Portfolio Service Explanatory Memorandum dated 1 August 2010, which has been made available to the Buyer.

Features of the HUB24 Portfolio Service System include:

##### **Account Management**

The ability to open an account for a client, and record and maintain their personal details. This also includes the ability to establish a margin lending account or SMSF account with a related supplier of those services if required.

##### **Order Management**

Provides the ability for an adviser to enter an order for an investment (including direct shares, managed funds, term deposits or non-unitised models), and then submit the order for execution.

##### **Trade Management**

Depending in the type of investment and the instructions of the adviser, orders entered may be processed individually and immediately or pooled with other orders for execution at a later time.

Executed orders are reported back to the system and transaction records are created or updated. The system will settle executed transactions as required depending on the type of investment.

##### **Cash Management**

At the core of the system is an omnibus cash management account. The system tracks all transactions through this account and allocates to individual accounts for a client. Transactions include deposits from clients (including regular automated deposits), settlements, trades, income, fees, taxes and withdrawals to clients (including automated payment plans).

**Model Manager Interface**

Model Managers are able to log in to their own web site and enter a model, which is a template of an investment portfolio with % allocations. Investments in a model can include shares and cash. Model Manager Fees can be set which will be charged to clients that use the Model of the Model Manager.

**Sub-Custodian Interfaces**

Underlying assets of the MDA are held in safe custody with an appointed sub-custodian. Currently, AUSMAQ as the sub-custodian for all managed funds, while HSBC are the sub-custodian for all other investment types. The system must inform the custodian of any required trades in investments each day. The sub-custodian settles the trade and also provides information on corporate actions such as income, rights issues etc

**Portfolio Reporting**

The system provides advisers, and to a lesser extent clients, with the ability to log in and select from a range of available portfolio reports including up to date cash balance and investment valuation reports, transaction reports, income reports, performance reports and estimate capital gains tax reports and the annual tax statement.

**Administration**

There are a number of back-end tasks required to keep the service running smoothly including reconciliation of the system investment registry with the sub-custodians records, cash reconciliation to bank statements, fee calculations and deductions, tax reporting, cash top-up process, corporate action processing, model rebalancing, bulk data loads etc.

**Schedule 6: [not used]**

**Schedule 7: Employees**

(Clause 1.1, Definitions)

Group Company Employees and contractors as at Completion

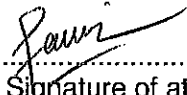
| No. | Name            |  | Address                                                |
|-----|-----------------|--|--------------------------------------------------------|
| 1   | Ian Litster     |  | 34 Moree St, Gordon, NSW, 2072                         |
| 2   | Darren Pettiona |  | 30 Cabramatta Road Mosman NSW 2088                     |
| 3   | Suwandi Tan     |  | 11 Francis St Naremburn NSW 2065                       |
| 4   | Brett Adler     |  | 147A Mount St, Coogee, NSW, 2034                       |
| 5   | Farris Halim    |  | 31/7 Victoria Park Parade, Zetland, NSW 2017           |
| 6   | Hua Tang        |  | Unit 1407, 5 Rockdale Plaza Drive, Rockdale, NSW, 2216 |
| 7   | Juan Bonilla    |  | 45/102 Miller St, Pyrmont NSW 2009                     |
| 8   | Jane Rees       |  | 3 SILVER STREET ST PETERS NSW 2044                     |
| 9   | Simon Bishop    |  | 4206/393 Pitt Street Sydney NSW 2000                   |
| 10  | Kylie Goedee    |  | 504/21 Brisbane St, Surry Hills, NSW 2010              |
| 11  | Michael Doonan  |  | 11/79-81 Balgowlah Road, Fairlight, NSW 2094           |
| 12  | Russell Lee     |  | 2/60 Harbourn Road, Kingsford NSW 2032                 |

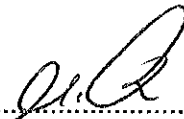
|    |                                |  |                                             |
|----|--------------------------------|--|---------------------------------------------|
| 13 | Stephen Ahn                    |  | 1 Elm Street, Burwood Heights,<br>NSW, 2136 |
| 14 | Frances Taylor -<br>Contractor |  | 18 Lucknow Street, Willoughby,<br>NSW, 2068 |

**Executed** as an agreement

**Sellers and Covenantors**

**SIGNED by F&H Halim Investments Pty Ltd** )  
 ACN 127 089 525 by its duly appointed attorney )  
 in the presence of: )

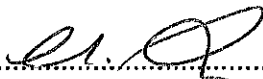
  
 Signature of attorney

  
 Signature of witness

**FARRIS HALIM**  
 Name of attorney  
 (please print)

**Melissa Collins**  
 Name of witness  
 (please print)

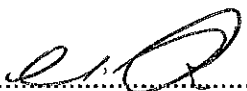
**Signed by Farris Halim** in the presence of: )

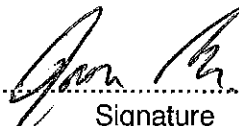
  
 Signature of witness

  
 Signature

**Melissa Collins**  
 Name of witness  
 (please print)

**Signed by Jane Caroline Sarah Rees** in the )  
 presence of: )

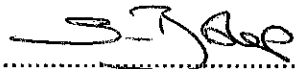
  
 Signature of witness

  
 Signature

**Melissa Collins**  
 Name of witness  
 (please print)

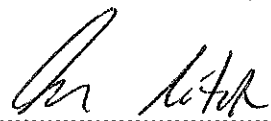
Signed by **Simon Bishop** in the presence of: )

  
Signature of witness

  
Signature

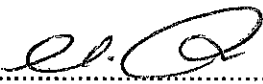
Melissa Collins  
Name of witness  
(please print)

**Executed by Litster & Associates Pty Ltd**  
ACN 075 565 749 in accordance with  
section 127(1) of the *Corporations Act 2001*  
(Cth):

  
Signature of sole director

IAN LITSTER  
Name (please print)

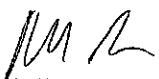
Signed by **Ian Litster** in the presence of: )

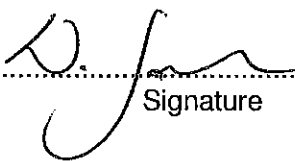
  
Signature of witness

  
Signature

Melissa Collins  
Name of witness  
(please print)

Signed by **Denise Leanne Sarkis** in the presence of: )

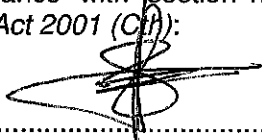
  
Signature of witness

  
Signature

RUSSELL LEE  
Name of witness  
(please print)



**Executed by Skylyx Pty Ltd** ACN 125 935  
775 in accordance with section 127(1) of the  
*Corporations Act 2001 (Cth)*:



Signature of sole director

SUWANDI TAN

Name (please print)

**Signed by Suwandi Tan** in the presence of: )



Signature of witness

Melissa Collins

Name of witness  
(please print)



Signature

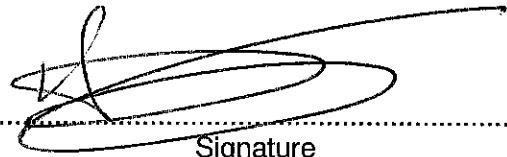
**Signed by Hua Tang** in the presence of: )



Signature of witness

Melissa Collins

Name of witness  
(please print)



Signature

**Executed by Vitel Interactive Pty Ltd**  
ACN 059 123 803 in accordance with  
section 127(1) of the *Corporations Act 2001*  
(Cth):

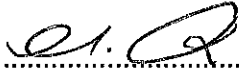


Signature of sole director

DARREN PETTOW

Name (please print)

Signed by **Darren Pettiona** in the presence of: }



Signature of witness

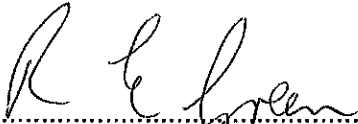
Melissa Collins

Name of witness  
(please print)



Signature

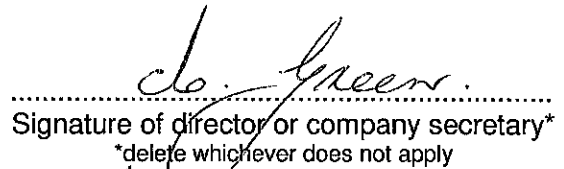
**Executed by Rojo Green Pty Ltd**  
ACN 146 840 333 in accordance with  
section 127(1) of the *Corporations Act 2001*  
(Cth):



Signature of director

Robert Green

Name (please print)

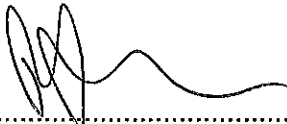


Signature of director or company secretary\*  
\*delete whichever does not apply

Marilyn Green

Name (please print)

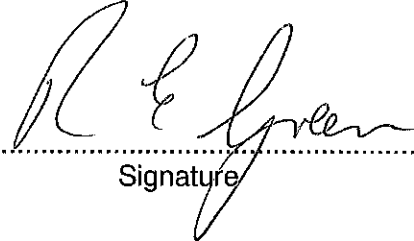
Signed by **Robert Green** in the presence of: }



Signature of witness

Rowan Green

Name of witness  
(please print)

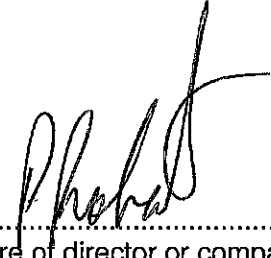


Signature

Executed by **White Outsourcing Pty Ltd**  
 ACN 114 914 215 in accordance with  
 section 127(1) of the *Corporations Act 2001*  
 (Cth):

  
 Signature of director

Andrew Harrison  
 Name (please print)

  
 Signature of director or company secretary\*  
 \*delete whichever does not apply

Peter Roberts  
 Name (please print)

Signed by **Andrew Harrison** in the presence  
 of:

  
 Signature of witness

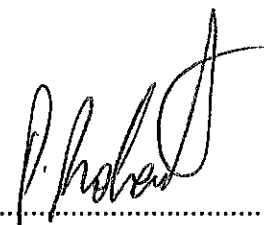
Melissa Collins  
 Name of witness  
 (please print)

  
 Signature

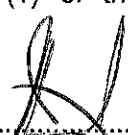
Signed by **Peter Roberts** in the presence of:

  
 Signature of witness

Melissa Collins  
 Name of witness  
 (please print)

  
 Signature

Executed by **EGG.AU Pty Ltd**  
 ACN 087 559 564 in accordance with  
 section 127(1) of the *Corporations Act 2001*  
 (Cth):

  
 Signature of sole director

JASON ENTWISTLE  
 Name (please print)

Signed by **Jason Entwistle** in the presence of: )

  
Signature of witness

Melissa Collins  
Name of witness  
(please print)

  
Signature

### **Buyer**

Executed by **Investorfirst Limited** ACN 124 )  
891 685 in accordance with section 127(1) of )  
the *Corporations Act 2001 (Cth)*: )

  
Signature of director

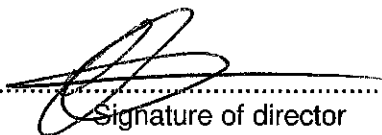
OTTO BUTTURA  
Name (please print)

  
Signature of director or ~~company secretary~~\*  
\*delete whichever does not apply

ROBERT SPANO  
Name (please print)

### **Group Companies**

Executed by **HUB24 Pty Ltd** ACN 126 560 923 )  
in accordance with section 127(1) of the )  
*Corporations Act 2001 (Cth)*: )

  
Signature of director

ANDREW HARRISON  
Name (please print)

  
Signature of director or ~~company secretary~~\*  
\*delete whichever does not apply

JASON ENTWISTLE  
Name (please print)

**Executed by HUB24 Operations Pty Ltd**  
 ACN 140 763 775 in accordance with  
 section 127(1) of the *Corporations Act 2001*  
 (Cth):



Signature of director

ANDREW HARRISON

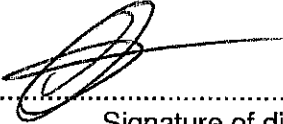
Name (please print)

Signature of director or ~~company secretary~~  
 \*delete whichever does not apply

JASON ENTWISTLE

Name (please print)

**Executed by HUB24 Services Pty Ltd**  
 ACN 135 438 603 in accordance with  
 section 127(1) of the *Corporations Act 2001*  
 (Cth):



Signature of director

ANDREW HARRISON

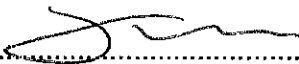
Name (please print)

Signature of director or ~~company secretary~~  
 \*delete whichever does not apply

JASON ENTWISTLE

Name (please print)

**Executed by INQ Management Services Limited**  
 ACN 135 332 320 in accordance with  
 section 127(1) of the *Corporations Act 2001*  
 (Cth):



Signature of director

Tristan Usher

Name (please print)

Signature of director or company secretary\*  
 \*delete whichever does not apply

Paul Lanning

Name (please print)

**Annexure A: Accounts****(clauses 1.1, and Schedule 3 – Warranties 3, 4)**

HUB24 Pty Ltd – Balance Sheet and Profit and Loss Statement

HUB24 Operations Pty Ltd - Balance Sheet and Profit and Loss Statement

HUB24 Services Pty Ltd - Balance Sheet and Profit and Loss Statement

**Hub24 Pty Ltd**  
Level 2,  
84 Pitt Street  
SYDNEY NSW 2000

**Balance Sheet**

**As of September 2010**

20/10/2010  
8:47:20 AM

|                           |                                |                 |
|---------------------------|--------------------------------|-----------------|
| <b>1-0000 Assets</b>      |                                |                 |
| 1-1000                    | Current Assets                 |                 |
| 1-1100                    | Cash On Hand                   |                 |
| 1-1105                    | Cash on Hand                   | \$7.00          |
| 1-1110                    | Cheque Acc Bearing Interest    | \$394,461.19    |
| 1-1120                    | Term Deposit 209950121508      | \$37,123.54     |
| 1-1125                    | Term Deposit 209950144005      | \$10,000.00     |
| 1-1190                    | Electronic Clearing Account    | \$0.00          |
|                           | Total Cash On Hand             | \$441,591.73    |
| 1-1250                    | Sundry Debtors                 | \$125,407.11    |
| 1-1300                    | Formation expense              | \$680.00        |
|                           | Total Current Assets           | \$567,678.84    |
| 1-2000                    | Other Assets                   |                 |
| 1-2100                    | Deposits Paid                  | \$12,693.75     |
|                           | Total Other Assets             | \$12,693.75     |
| 1-3000                    | Fixed Assets                   |                 |
| 1-3100                    | Furniture & Fixtures           |                 |
| 1-3110                    | Furniture & Fixtures at Cost   | \$3,057.23      |
| 1-3120                    | Furniture & Fixtures Accum Dep | -\$768.00       |
|                           | Total Furniture & Fixtures     | \$2,291.23      |
| 1-3200                    | Office Equipment               |                 |
| 1-3210                    | Office Equipment at Cost       | \$46,755.81     |
| 1-3220                    | Office Equipment Accum Dep     | -\$23,365.00    |
|                           | Total Office Equipment         | \$23,390.81     |
| 1-3300                    | Software                       |                 |
| 1-3310                    | Software - at cost             | \$14,620.91     |
| 1-3320                    | Software Accum Dep             | -\$10,196.00    |
|                           | Total Fixed Assets             | \$30,106.96     |
| 1-3410                    | Trademark                      | \$3,190.00      |
| 1-3411                    | Less: Accum Amortisation       | -\$361.48       |
| 1-4000                    | Shares Hub24 Services Pty Ltd  | \$200,000.00    |
| 1-4010                    | Invested in Services Live Acco | \$16,244.82     |
|                           | Total Assets                   | \$829,552.88    |
| <b>2-0000 Liabilities</b> |                                |                 |
| 2-1000                    | Current Liabilities            |                 |
| 2-1200                    | Trade Creditors                | \$84,104.24     |
| 2-1300                    | GST Liabilities                |                 |
| 2-1310                    | GST Collected                  | \$1.27          |
| 2-1330                    | GST Paid                       | -\$18,879.21    |
|                           | Total GST Liabilities          | -\$18,877.94    |
| 2-1400                    | Payroll Liabilities            |                 |
| 2-1410                    | Superannuation Payable         | \$18,096.48     |
| 2-1420                    | PAYG Withholding Payable       | \$26,835.00     |
| 2-1450                    | Provision for Annual Leave     | \$86,614.42     |
|                           | Total Payroll Liabilities      | \$131,545.90    |
| 2-1500                    | Loans                          |                 |
| 2-1510                    | Loan - Ian Litster             | \$57,500.00     |
| 2-1540                    | Loan - Hub24 Services Pty Ltd  | \$37,360.00     |
| 2-1545                    | Loan - Hub24 Operations        | -\$708.00       |
|                           | Total Current Liabilities      | \$290,924.20    |
|                           | Total Liabilities              | \$290,924.20    |
|                           | Net Assets                     | \$538,628.68    |
| <b>3-0000 Equity</b>      |                                |                 |
| 3-1000                    | Owner's Equity                 |                 |
| 3-1100                    | Owner's Capital                | \$3,525,007.00  |
|                           | Total Owner's Equity           | \$3,525,007.00  |
| 3-8000                    | Retained Earnings              | -\$2,579,535.48 |
| 3-9000                    | Current Year Earnings          | -\$406,842.84   |

**Hub24 Pty Ltd**

**Balance Sheet**

**As of September 2010**

20/10/2010  
8:47:21 AM

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Total Equity

\$538,628.68



**Hub24 Pty Ltd**  
Level 2,  
84 Pitt Street  
SYDNEY NSW 2000

**Profit & Loss Statement**

**July 2010 through September 2010**

20/10/2010  
8:45:42 AM

|        |                                |                     |                      |
|--------|--------------------------------|---------------------|----------------------|
| 4-0000 | Income                         |                     |                      |
| 5-0000 | Cost of Sales                  |                     |                      |
|        | Gross Profit                   |                     | <u>\$0.00</u>        |
| 6-0000 | Expenses                       |                     |                      |
| 6-0040 | Accounting Fees                | \$29,948.00         |                      |
| 6-1000 | Advertising                    | \$10,000.00         |                      |
| 6-1010 | Bank Charges                   | \$39.61             |                      |
| 6-1011 | Bookkeeping fees               | \$5,424.00          |                      |
| 6-1013 | Cleaning                       | \$673.53            |                      |
| 6-1050 | Computer Expenses              | \$33,641.73         |                      |
| 6-1053 | Conference                     | \$103.45            |                      |
| 6-1350 | Entertainment                  | \$678.22            |                      |
| 6-1353 | Filing Fees                    | \$6.00              |                      |
| 6-1355 | Gifts                          | \$89.26             |                      |
| 6-1400 | Insurance                      | \$22,950.79         |                      |
| 6-1700 | Legal Fees                     | \$19,281.98         |                      |
| 6-1725 | License Fees                   | \$3,500.00          |                      |
| 6-1900 | Office Supplies                | \$51.36             |                      |
| 6-2000 | Employment Expenses            |                     |                      |
| 6-2017 | Stationery                     | \$261.62            |                      |
| 6-2019 | Subscriptions                  | \$23,595.48         |                      |
| 6-2020 | Superannuation                 | \$17,350.09         |                      |
| 6-2030 | Wages & Salaries               | \$192,778.89        |                      |
| 6-2035 | Wages & Salaries - Payroll Tax | \$2,511.38          |                      |
| 6-2040 | Workers' Compensation          | \$2,995.78          |                      |
|        | Total Employment Expenses      | <u>\$239,493.24</u> |                      |
| 6-2150 | Printing & Stationary          | \$500.00            |                      |
| 6-2300 | Rent                           | \$21,881.08         |                      |
| 6-2400 | Telephone                      | \$2,626.98          |                      |
| 6-2500 | Travel & Accomodation          | \$15,019.62         |                      |
| 6-2600 | Services                       |                     |                      |
| 6-2620 | Electricity                    | \$1,137.06          |                      |
|        | Total Expenses                 |                     | <u>\$407,045.91</u>  |
|        | Operating Profit               |                     | <u>-\$407,045.91</u> |
| 8-0000 | Other Income                   |                     |                      |
| 8-1000 | Interest Income                | \$203.07            |                      |
|        | Total Other Income             |                     | <u>\$203.07</u>      |
| 9-0000 | Other Expenses                 |                     |                      |
|        | Net Profit / (Loss)            |                     | <u>-\$406,842.84</u> |

# Hub24 Operations Pty Limited

Level 2  
84 Pitt Street  
SYDNEY NSW 2000

## Balance Sheet

As of September 2010

20/10/2010  
8:49:26 AM

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|        |                               |                  |                  |
|--------|-------------------------------|------------------|------------------|
| 1-0000 | Assets                        |                  |                  |
| 1-1250 | Cash on Hand                  | \$1.00           |                  |
| 1-7000 | Formation Costs               | \$708.00         |                  |
| 1-7010 | Less Accumulated Amortisation | <u>-\$141.40</u> |                  |
|        | Total Assets                  |                  | \$567.60         |
| 2-0000 | Liabilities                   |                  |                  |
| 2-6000 | Loan - Hub24 Pty Limited      | <u>\$708.00</u>  |                  |
|        | Total Liabilities             |                  | \$708.00         |
|        | Net Assets                    |                  | <u>-\$140.40</u> |
| 3-0000 | Equity                        |                  |                  |
| 3-5000 | 1 Ordinary Share of \$1       | \$1.00           |                  |
| 3-8000 | Retained Earnings             | <u>-\$141.40</u> |                  |
|        | Total Equity                  |                  | <u>-\$140.40</u> |

# Hub24 Services Pty Limited

## Balance Sheet

As of September 2010

20/10/2010  
8:48:15 AM

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|                                 |              |              |
|---------------------------------|--------------|--------------|
| 1-0000 Assets                   |              |              |
| 1-1100 CBA Account              | \$82,348.87  |              |
| 1-1125 HSBC Account - 2         | \$1,153.37   |              |
| 1-1300 Formation Expenses       | \$708.00     |              |
| 1-2600 Sundry Debtors           | \$1,044.00   |              |
| Total Assets                    |              | \$85,254.24  |
| 2-0000 Liabilities              |              |              |
| 2-3000 GST Liabilities          |              |              |
| 2-3010 GST Collected            | \$27.25      |              |
| 2-3030 GST Paid                 | -\$2,615.00  |              |
| Total GST Liabilities           |              | -\$2,587.75  |
| 2-4000 Loan - Hub24 Pty Limited |              | -\$37,360.00 |
| Total Liabilities               |              | -\$39,947.75 |
| Net Assets                      |              | \$125,201.99 |
| 3-0000 Equity                   |              |              |
| 3-1000 Owners Capital           | \$200,000.00 |              |
| 3-8000 Retained Earnings        | -\$48,907.04 |              |
| 3-9000 Current Earnings         | -\$25,890.97 |              |
| Total Equity                    |              | \$125,201.99 |

# Hub24 Services Pty Limited

## Profit & Loss Statement

July 2010 through September 2010

20/10/2010  
8:48:28 AM

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|        |                    |             |                     |
|--------|--------------------|-------------|---------------------|
| 4-0000 | Income             |             |                     |
| 4-2000 | Service Fees       | \$272.54    |                     |
|        | Total Income       |             | <u>\$272.54</u>     |
| 6-0000 | Expenses           |             |                     |
| 6-0300 | Accounting fees    | \$6,000.00  |                     |
| 6-0500 | Bank Charges       | \$20,427.84 |                     |
|        | Total Expenses     |             | <u>\$26,427.84</u>  |
|        | Operating Profit   |             | <u>-\$26,155.30</u> |
| 8-0000 | Other Income       |             |                     |
| 8-1000 | Interest Received  | \$264.33    |                     |
|        | Total Other Income |             | <u>\$264.33</u>     |
|        | Net Profit/(Loss)  |             | <u>-\$25,890.97</u> |

## **Annexure B: Disclosures**

**(clauses 1.1 , 8.1, 8.2 and Schedule 3 – Warranty 5)**

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SIGNED COPY
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**Date:**

**2010**

Investorfirst Limited ACN 124 891 685  
Level 11  
7 Macquarie Place  
Sydney NSW 2000

Dear Sirs,

**DISCLOSURE LETTER**

We refer to the share sale agreement dated on or around the date of this letter regarding the sale of the entire issued share capital of HUB24 Pty Ltd (ACN 126 560 923) (**Share Sale Agreement**).

This letter is the Disclosure Letter referred to in the Share Sale Agreement.

Except where the context otherwise requires, words and phrases defined in the Share Sale Agreement have the same meaning in this Disclosure Letter.

**Interpretation of Disclosure Letter**

In this Disclosure Letter:

- (a) disclosures need not be by reference to particular Sellers' Warranties; and
- (b) each disclosure is made in respect of any relevant Sellers' Warranty, even if the disclosure expressly refers to a particular Sellers' Warranty.

If this Disclosure Letter consists of a number of signed counterparts, each is an original and all of the counterparts together constitute the same document.

**Disclosures**

The Sellers makes the following disclosures against the Sellers' Warranties:

| Warranty No. | Disclosure                                                                                                                                                                                                                                                                                                                                                             |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1(a)         | The Shares in the Company held by Simon Bishop are currently encumbered in accordance with the Loan Agreement attached to this letter. These Shares will be released from this encumbrance prior to Completion and sold at Completion free from any Security Interest in accordance with clause 2.1 of the Share Sale Agreement.                                       |
| 1(c)         | Vitel Interaction Pty Ltd (Darren Pettiona) currently owes \$120,000 for shares issued 30 September 2009. This debt will be satisfied prior to Completion and does not affect the obligations of the Seller under the Share Sale Agreement.                                                                                                                            |
| 1(d)         | See Disclosure 1(a)                                                                                                                                                                                                                                                                                                                                                    |
| 3(a)         | The Accounts do not reflect an expense reimbursement claim to Darren Pettiona of \$20,000. This expense will be netted from the debt owed by Vitel Interaction Pty Ltd to HUB24 prior to completion.                                                                                                                                                                   |
| 3(g)         | The employment entitlements in the Accounts are as at 30 June 2010                                                                                                                                                                                                                                                                                                     |
| 4(a)         | Since the Accounts Date, material changes include the receipt of the R&D Tax rebate of around \$380,000 and the continued development of the business as per disclosure 4 (e)                                                                                                                                                                                          |
| 4(e)         | The Group Companies have not raised any new capital since the Accounts Date and are using up available cash. Current cash flow forecasts predict that at the end of November, there will be a cash balance of around \$50,000 (plus \$100,000 in regulatory capital). The business is currently operating at a cash loss of between \$150,000 and \$200,000 per month. |
| 4(f)         | An outstanding loan of \$57,500 has been repaid to Ian Litster since the Accounts Date. Expenses may have been reimbursed to directors in the normal course of business.                                                                                                                                                                                               |



| Warranty No. | Disclosure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6(d)         | All office equipment is owned outright. The office fitout is owned by the landlord. There are two defunct Ricoh printers that are overdue to be picked up by the supplier. The only payment on "deferred" terms is the insurance policy which is paid by instalment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 7(a)(iv)     | Vitel Interaction Pty Ltd (of which Darren Pettiona is the sole director) currently owes \$120,000 for shares issued 30 September 2009. This debt will be satisfied prior to Completion and does not affect the obligations of the Seller under the Share Sale Agreement.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 12(a)        | Hub24 Pty Ltd is the parent entity of HUB24 Services Pty Ltd and HUB24 Operations Pty Ltd                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 13(a)        | Frances Taylor is currently a part-time contractor with plans to move to part-time employment. Juan Bonilla is currently part-time from 8:30am to 1:30pm each day.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 13(a)        | Clause 9 of the Share Sale Agreement anticipates that the employment of the Employees will transfer to INQ Management at Completion. This may trigger Liabilities (i.e. in respect of redundancy, entitlements and benefits) on transmission of business.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 13(b)        | <p>HUB24 offers choice of fund for superannuation contributions. The following superannuation funds have been chosen by employees:</p> <ul style="list-style-type: none"> <li>• Australian Super</li> <li>• Colonial First State FirstChoice Wholesale Personal Super</li> <li>• AMP (Flexible Lifetime Super)</li> <li>• Perpetual's Select Superannuation Plan</li> <li>• Bishop Superannuation Fund (Simon Bishop's SMSF)</li> <li>• Rest Superannuation Fund</li> <li>• ING Integra Super</li> <li>• Plum Financial Services</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 13(c)        | Stephen Ahn has special leave arrangements as follows: "An additional special leave entitlement of 20 days salaried paid per year. Any unused annual leave will be carried forward into the following year".                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 22(a)        | <p>Schedule 5 contains a list of 3<sup>rd</sup> party software licenses used (paid and unpaid) and also a summary of the functionality of the proprietary software that underpins the HUB24 service. The HUB24 Portfolio Service Explanatory Brochure describes in detail the service provided by HUB24.</p> <p>One of the third party components used by HUB24 system is iTextSharp. We are currently using the free and older version of this component which is under GNU Public License which entitles us to use the component commercially as long as we include the GNU licence terms and condition in our website/system. <b>To date we have not done this.</b></p> <p>Since then they have changed their licence to AGPL for their new version. Hub24 does not use this new version.</p> <p>A commercial licence for this component is available to purchase at anytime. With the commercial licence we do not need to include AGPL licence terms and conditions in our website/system. We have provided you with a quote for potential license fees for this software license which we expect to be approximately USD\$1,500 per annum at current low volumes.</p> |
| 22(f)        | No Intellectual Property Rights owned by the Group Company have been registered                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

Yours faithfully,

Farris Halim for and on behalf of F&H Halim Investments Pty Ltd

Hua Tang

Jane Caroline Sarah Rees

Darren Pettiona for and on behalf of Vitel Interactive Pty Ltd

Simon Bishop

Robert Green for and on behalf of Rojo Green Pty Ltd

Ian Litster for and on behalf of Litster & Associates Pty Ltd

Andrew Harrison for and on behalf of White Outsourcing Pty Limited

Denise Leanne Sarkis

Jason Entwistle for and on behalf of EGG.AU Pty Ltd

Suwandi Tan for and on behalf of Skylyx Pty Ltd

I, .....  
acknowledge receipt of this Disclosure Letter on  
behalf of Investorfirst Limited ACN 124 891 685

Date

**THIS DEED** is made the 12<sup>th</sup> April 2008

**BETWEEN:** Simon Geoffrey Bishop

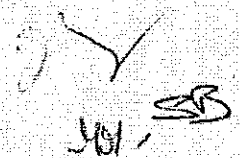
The party named and described in the Schedule hereto as the  
Borrower  
(hereinafter called "the Borrower") of the one part

**AND:** Geoffrey Adrian Bishop

The party named and described in the Schedule hereto as the  
Lender  
(hereinafter called "the Lender") of the second part

**WHEREAS:**

- A. The Lender has at the request of the Borrower agreed to advance the sum described in the Schedule hereto as the Principal Sum (hereinafter called "the Principal Sum") to the Borrower upon and subject to the terms, conditions and security herein set forth or may hereafter request the Lender to make further advances upon the same or varied terms, conditions and security.
- B. (a) The Lender has agreed to accept as collateral security to this Agreement the collateral security (as hereinafter defined) upon the terms, conditions of such collateral security and in consideration of the Borrower entering into this Deed.
- (b) For the purpose of security this Agreement and all other monies which from time to time may be or become due by the Borrower to the Lender hereunder or any other account the Borrower has agreed to execute this Deed.

Handwritten signature and initials, possibly 'SB' and 'JMB', in the bottom right corner.

**NOW THIS DEED WITNESSETH** and the parties hereto covenant and agree as follows:

**1. DEFINITIONS -**

1.1 In this Loan Agreement unless the context otherwise requires:-

- (a) **"Lower Rate"** means the rate set out in Item 6 of the Schedule (subject, if applicable, to variation pursuant to the provisions of Clause 14);
- (b) **"Authorised Officer"** means any director, manager and the secretary of the Lender or any other otherwise duly authorised officer and any person for the time being acting in any such position, the Solicitors of the Lender and any receiver and/or manager and any person appointed under seal as an officer of the Lender for the purpose of this Deed;
- (c) **"Due Date"** means the date set out in Item 5 of the Schedule or such other date as may be agreed between the parties;
- (d) **"Guarantee"** means the Guarantee (if any) given to the Lender by the Guarantor in support of the obligations of the Borrower under this Agreement;
- (e) **"Guarantor"** means any person or persons set out in Item 3 of the Schedule and anyone who may hereinafter guarantee to the Lender payment of the whole or part of the Principal Sum and/or any other monies hereby secured and/or any interest thereon and/or any person who is jointly and/or severally liable to the Lender (with or without any other person) to pay the whole or any part of the Principal Sum and/or any other monies including interest hereby secured);
- (f) **"Higher Rate"** means the rate set out in Item 6 of the Schedule (subject, if applicable, to variation pursuant to Clause 14);
- (g) **"Monies hereby secured"** means
  - (i) the Principal sum; and
  - (ii) each and all sums of money in respect of which the Borrower may now or hereafter be indebted or liable or contingently liable to the Lender on any account whatsoever including

*[Handwritten signature]*  
 901- *[Handwritten mark]*

(iii) any further or future advances or loans which the Lender or any receiver may pay in pursuance of or in defence of or in aid of its or his right and powers hereunder or otherwise pursuant to the provisions hereof or under any security;

- (h) **"Principal Sum"** means the amount set out in Item 4 of the Schedule;
- (i) **"Schedule"** means any Schedule attached to this Agreement with the intention that it forms part of this Agreement;
- (j) **"Collateral Security"** means the security or securities set out in Item 8 of the Schedule in favour of the Lender and shall include any substitute or additional security given or charged or held from time to time to the Lender;

**1.2** In the interpretation of this Agreement unless the context otherwise requires:-

- (a) a reference to any party referred to shall mean such party and its successors and assigns and (except in the case of corporations) heirs, executors and administrators;
- (b) every obligation covenant agreement and condition expressed or implied in this Agreement and entered into by two or more of the parties referred to shall, unless the contrary intention is expressed, bind them and any two or greater number of them jointly and each of them severally;
- (c) words importing persons shall include corporations and vice versa;
- (d) words importing the singular number shall mean and include plural number and vice versa;
- (e) words importing any gender shall include the other genders;
- (f) reference to this Agreement or to any security collateral to this Agreement shall include any amendments hereto and/or further Agreements or securities or amendments thereto at any time and from time to time executed in connection with this Agreement including the Guarantee and the Collateral Security;
- (g) any schedule forms part of this Agreement;
- (h) all references to statutes shall include all statutes amending, consolidating or replacing the statutes referred to;

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90/58

- 4
- (i) any headings appearing in this Agreement are inserted only as a matter of convenience and in no way define limit construe or in any way effect the interpretation of this Agreement.

**2. JURISDICTION**

This Deed shall be governed by and interpreted and enforceable in accordance with the laws enforced for the time being in the State of Victoria.

**3. LOAN**

The Lender has agreed to lend to the Borrower the Principal Sum and the Borrower hereby acknowledges that it has on the date hereof received payment of the Principal Sum from the Lender or the Principal Sum has otherwise been paid in accordance with its authorisation.

**4. FURTHER ADVANCES**

The Lender may at the request of the Borrower in its absolute and unfettered discretion make further advances from time to time to the Borrower and all such amounts shall be deemed to be money lent by it to the Borrower and if any such further advances are made they shall be governed by the same terms and conditions as otherwise apply to the Principal Sum and any Collateral Security given in respect hereof shall be deemed to extend to such further advances.

**5. REPAYMENT**

The Borrower hereby covenants with the Lender:-

- (a) To repay to the Lender the Principal Sum on the Due Date and in the manner specified in the Schedule hereto and otherwise in accordance with the provisions of this Agreement.
- (b) In addition to repaying to the Lender the Principal Sum as aforesaid to pay any other monies hereby secured or due hereunder to the Lender in accordance with any Agreement in respect of the payment thereof made between the Borrower and the Lender and in default of such Agreement being made upon demand.

Handwritten signature and initials.



## 6. INTEREST

The Borrower covenants with the Lender to pay interest to the Lender :-

- (a) upon the Principal Sum at the rate and at the time and in the manner specified in the Schedule hereto; and
- (b) upon any other monies hereby secured which are outstanding from time to time, from the time or times that the same are paid or advanced or may become recoverable by the Lender at the Higher Rate.

## 7. ADDITIONAL EXPENSES

The Borrower covenants with the Lender to pay to the Lender all costs including legal costs of and incidental to the preparation of this Deed and all Collateral Security or otherwise required by the Lender and all stamp duty hereon and on the Collateral Security including all stamp duty on the advance of the Principal Sum payable pursuant to the provisions of the Stamps Act 1966 of the State of Victoria or other Commonwealth Receipt or other duty on any money advanced or received and all registration fees in respect of the registration of any Collateral Security and all costs legal or otherwise incurred in or about the exercise or purported exercise of all or any of the rights herein

contained or implied including all costs in realising any Collateral Security and all money expended by the Lender in remedying any default by the Borrower hereunder and all such costs expenses and monies shall be deemed to form part of the monies hereby secured and the payment thereof shall be deemed to be subject to the security given.

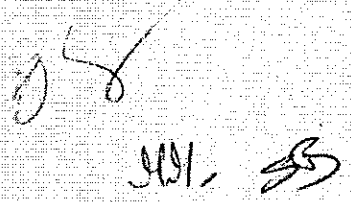
## 8. FURTHER COVENANTS

The Borrower covenants with the Lender that:-

- (a) From time to time and at all times hereafter upon the request of the Lender and at the cost of the Borrower to make do and execute or cause to be made, done or executed all such acts, deeds and assurances whatsoever in order to more satisfactorily secure to the Lender the security of the Borrower's interest in all or any real or personal property or choses in action the repayment of the Principal Sum and/or all other monies hereby secured and/or interest thereon as the Lender may require.

SV  
H. S.

- (b) All monies received by the Lender from the Borrower or in consequence of the enforcement of any security shall unless the Lender otherwise determines in writing or express provision is otherwise made be applied firstly in or towards satisfaction of accrued interest and secondly in or towards satisfaction of the Principal Sum and other monies hereby secured or due hereunder or owed to the Lender and the surplus (if any) shall be adjusted between the Borrower and any other persons who may be entitled thereto but shall not bear interest.
- (c) To perform and observe all the covenants and conditions to be performed or observed by the Borrower including any set out in the Schedule hereto under the heading "Special Covenants" as if such special covenants were set out in the body of this Deed.
- (d) A Certificate purporting to be signed by any Authorised Officer for the time being of the Lender or sealed by the Lender stating as at any date or dates the amount owing or contingently owing by the Borrower to the Lender hereunder or secured hereby and/or the occurrence of any of the events, acts or matters set forth herein and/or any other act matter or thing arising hereunder shall for all purposes and in all Courts and at all times be prima facie evidence of the facts stated therein.
- (e) Nothing herein contained shall operate to merge extinguish postpone lessen or otherwise prejudice any other obligation or security from time
- (f) to time binding on the Borrower in favour of the Lender and all securities covenants and obligations shall be deemed collateral.
- (f) Neither this Deed nor any Collateral Security shall be affected by any judgment or order obtained by the Lender against the Borrower which judgment or order shall be considered as collateral.
- (g) This Deed shall be a continuing security notwithstanding any settlement of account intervening payment or other matter or thing whatsoever until a final discharge hereof shall have been given to the Borrower by the Lender.
- (h) The Lender may assign the benefit of this Deed and of any security or Collateral Security or otherwise held in respect of this loan to any person or corporation.

Handwritten signature and initials in the bottom right corner of the page.



- 7
- (i) The Borrower may not without the prior written consent of the Lender (which consent the Lender may in its absolute discretion withhold) assign any of the Borrower's rights or power hereunder.

**9. NOTICES**

The Borrower covenants with the Lender that any Notice or Demand which the Lender desires to give or is required to be given to the Borrower shall be deemed to be duly given or made if the same be in writing and signed by any Authorised Officer for the time being of the Lender or its solicitors or any other person appointed by the Lender for the purpose if the same be left or sent by post in a prepaid envelope or wrapped addressed to the Borrower at the registered office in Victoria of the Borrower or usual place of business or residence of the Borrower last known as such to the person signing such notice or demand or to the address herein or be affixed to any land or premises occupied by the Borrower for the purpose of its business or residence and any such mode of service shall in all respects be valid and effectual notwithstanding that at the date of such service the Borrower may be in the course of liquidation or have been wound up and notwithstanding any other matter or event whatsoever including the death, mental illness, bankruptcy, disappearance or absence of the Borrower AND any such notice or demand if sent by post as aforesaid shall be deemed to have been received by the Borrower at the expiration of twenty-four (24) hours after the time when the envelope or wrapper containing such notice was posted. Any notice to be given by the Borrower to the Lender shall be given or served in writing to the last known place of business or to the address herein of the Lender.

**10. TIME OF THE ESSENCE**

The Borrower covenants with the Lender that time shall be of the essence in respect of the Borrower's obligations hereunder unless otherwise agreed in writing by the Lender.

  
Slol. SS

## 11. INSURANCE

The Borrower covenants with the Lender that the Borrower shall effect or procure such policies of insurance as the Lender may from time to time require in respect of any security hereby given including fire, burglary, public risk and loss or property or rental insurance as the Lender may from time to time require with such reputable insurance company or office as the Lender may from time to time approve (which such approval shall not be unreasonably withheld) and shall produce policies and receipts for premiums in respect thereof to the Lender from time to time and in each year but no later than thirty (30 ) days prior to the due date for the payment of the premium and renewal of such policies for the next succeeding year or period and in default whereof the Lender may effect such insurance in the name of the Borrower or in its own name and recover the cost thereof from the Borrower on demand together with interest at the Higher Rate from the date of payment until the date of repayment thereof by the Borrower but any such failure by the Borrower shall not be deemed to constitute any obligation on behalf of the Lender to effect such policies of insurance not be deemed to act as an acknowledgement of the adequacy or otherwise of such insurance or in any manner constitute the creation of any liability to the Borrower. These provisions requirements herein provided shall at the Lender's option be subject to any further or like requirements contained in any Collateral Deed or security.

## 12. PRINCIPAL REPAYMENT - DEFAULT

The Principal Sum (and each and every part thereof) or so much thereof as shall remain unpaid and all other monies hereby secured or otherwise due hereunder and interest thereon at the Higher Rates shall immediately become due and payable and any Collateral Security shall immediately become due and enforceable at the option of the Lender and notwithstanding anything herein contained to the contrary or any delay or any previous waiver of the rights to exercise such option upon the happening of one or more of the following events without the necessity for any notice to demand being given by the Lender to the Borrower:-

  
201-53

- (a) If default be made by the Borrower in the due and punctual payment of the Principal Sum or any part thereof or any interest thereon or any other monies hereby secured or due hereunder or in the observance or performance of any of the other covenants or obligations or provisions on the part of the Borrower to be performed or observed as herein contained or implied if such default shall not be remedied by the Borrower within seven (7) days after service of a notice upon the Borrower by the Lender specifying the default and requiring that the same be remedied.
- (b) Any Collateral Security or any Mortgage, Charge or Encumbrance ranking in priority to or pari passu with any Collateral Security becoming enforceable.
- (c) If default be made by the Borrower or any Guarantor in the observance or performance of any obligation on the part of them or any of them contained in this Deed or any Collateral Security or on any other account or transaction between the Lender on the one hand and the Borrower or any Guarantor on the other hand.
- (d) If any Collateral Security becomes enforceable according to its terms (whether actually enforced or not).
- (e) If any part of the assets of the Borrower are resumed confiscated or forfeited or if any security is sold , transferred or disposed of or otherwise encumbered.
- (f) If any distress or execution of an amount exceeding ONE THOUSAND DOLLARS (\$1,000.00) is issued against the Borrower or any Guarantor or any of their assets and is not satisfied within three (3) days.
- (g) If the Borrower shall without the consent in writing of the Lender first had and obtained create or purport or attempt to create any charge or mortgage ranking or which might by any means be made to rank on the property assets or undertaking of the Borrower or any Collateral Security given or any part thereof in priority to or pari passu with this Deed or any security collateral hereto.
- (h) In relation to the Borrower or any related corporation or any Guarantor:-

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- (i) the passing of a resolution or the making of an order for its winding up;
  - (ii) the appointment of a provisional Liquidator, Receiver, Receiver and Manager or official manager in respect of it or any of its assets;
  - (iii) the assigning of any of its assets or its entry into any arrangement for the benefit of its creditors;
  - (iv) any suspension of payments;
  - (v) any inability or incapacity to pay debts within the meaning of the Corporations Law;
  - (vi) the levying of execution against any of its assets and such execution remaining unsatisfied for at least three (3) days.
- (i) If the Borrower or any Guarantor commits any act of bankruptcy or if the Borrower or any Guarantor being a Company suffers or commits anything or if any of the events happen as may be set out in Clause 12(h) hereof.
  - (j) If a Petition is presented or a resolution is passed for the winding up of the Borrower (being a company) or any Company Guarantor or for the reduction of its capital or of its intention or proposal to reduce such capital is given.
  - (k) If an investigator is appointed or proposed to investigate the affairs of the Borrower (being a corporation) or the Guarantors pursuant to the provisions of the Corporations Law.

### **13. POWER OF ATTORNEY**

In consideration of the Lender having entered into this Agreement and of the provisions aforesaid the Borrower and any Guarantor hereby irrevocably appoint the Lender and each Authorised Officer of the Lender from time to time severally to be its attorney or attorneys in its name and on its behalf and at the Borrower's or Guarantor's (if any) expense to sign, do and perform all assurances, deeds, instruments, acts and things whatsoever which the Borrower or Guarantor (if any) ought to execute sign and do pursuant to the covenants or obligations contained in this Deed or which may be necessary or desirable for the carrying into effect of all the rights powers and

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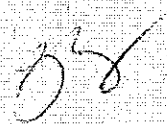
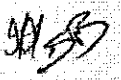


authorities of the Lender hereunder or which may be required to enforce any Collateral Security or otherwise or any obligation hereunder and generally to use the name of each of the Borrower and any Guarantor in and about the enforcement and carrying into effect of all the said rights, powers and authorities and the Borrower and any Guarantor authorises the Lender and each such Authorised Officer of the Lender its attorney to institute in its name or otherwise in any legal or other proceedings and further authorises such Attorney to sign and give on its behalf any notices which the Lender thinks desirable and further authorises such attorneys to enforce in the name of each of the Borrower or any Guarantor or otherwise any Judgment or order obtained in respect thereof and the Borrower and any Guarantor hereby ratifies and confirms and agrees to allow, ratify and confirm all and whatsoever its attorney shall lawfully do or cause to be done under and by virtue of its power of attorney and the Borrower and any Guarantor declares that this power of attorney shall continue and be of full force and effect until all such acts deeds payments, matters and things as the Lender shall think proper to execute perform, make institute or carry through shall have been done made and completed notwithstanding the determination of this Deed or of the arrangements and agreements herein referred to and the Borrower and any Guarantor hereby declares that this power of attorney is irrevocable.

#### 14. MORATORIUM

The Borrower covenants and agrees that in the event that a moratorium is declared by any government or statutory authority (which without limiting the generality shall include a general postponement of debts, interest repayments, monies outstanding, principal or other monies due to the Lender authorised by statute or governmental direction or regulation) the following shall occur:-

- (a) Any interest accruing under this Loan Deed or any Collateral Security or otherwise owing to the Lender during the period of the moratorium and not paid by the Borrower shall be added to the Principal Sum and any other money outstanding and the whole sum shall attract interest at the then Higher Rate payable hereunder until the sums are paid to the Lender.

- (b) The Lender shall have the right upon giving thirty (30) days notice to the Borrower at any time after the declaration of such moratorium to call up the Principal Sum and demand repayment of all monies owing to it or which would have been owing but for the moratorium.
- (c) Notwithstanding any legislative enactment to the contrary the parties agree that the sum due pursuant to the interest rate payable hereunder or as varied shall be payable on cessation of the moratorium or when the Principal Sum shall be repayable at the Lender's option.

#### **15. TRUSTEE'S STATUS**

The Borrower further covenants and agrees as follows:-

- (a) Nothing contained or implied in this Loan Agreement or in any notification now or hereafter given to the Lender (whether by the Borrower or otherwise) shall oblige or require the Lender to take notice of any person in or under any Deed of Trust of the Trust Fund constituted thereby and the Lender shall be entitled to exercise all the several rights powers, authorities and discretions hereby conferred upon the Lender or implied hereunder or arising out of any Collateral Security in the same manner and to the same extent as if the Borrower were the sole unencumbered legal and beneficial owner of the whole of the said property, assets and rights.
- (b) In the event that the Borrower shall without consent in writing of the Lender first had and obtained, retire or cease for any reason to be the sole Trustee of any Deed of Trust consent or permit or suffer any trusts or any Deed of Settlement to be determined in any way, or permit or suffer the whole or any part of the property assets and rights from time to time held by it as Trustee in a trust capacity under any Deed to be disposed of or transferred or the capital of the said Trust Fund to be distributed, appropriated, loaned or advanced otherwise than (in each such case) in the ordinary course of and for the purpose of carrying on business by the Trustee pursuant to any Deed of Settlement the Principal Sum and each and every part thereof or so much thereof as shall remain unpaid together with all other monies hereby secured and

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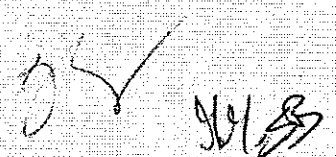
interest payable thereon or other monies due hereunder shall immediately become due and payable and the Lender shall have the benefits of the covenants "as beneficial owner" by the Borrower in so charging any property assets and rights hereunder or under any Collateral Security and shall be entitled to treat such as though it were beneficial owner.

**16. COLLATERAL SECURITY**

- (a) Notwithstanding anything herein expressed contained or implied the Lender shall not be under any obligation to lend any money or any part of the Principal Sum hereby secured to the Borrower unless and until any Collateral Security which it may from time to time require has been fully and effectively given to the Lender.
- (b) This Loan Agreement is made subject and collateral to the Collateral Security.
- (c) The Collateral Security and each of them given from time to time are given as Collateral Security to the loan made herein and the Lender shall not be obliged to grant any release hereunder or in respect of any Collateral Security given until all monies due under the provisions of this Agreement have been paid and all obligations on the Borrower's part herein have been performed and the Borrowers acknowledge that Collateral Security is collateral to this Agreement and to each other but that the Lender preserves a discretion unto itself to grant any releases, indulgences or other releases to any or all or in respect of any of the Collateral Security without thereby lessening the obligations of the remaining Collateral Security and in that event any Collateral Security remaining shall be deemed to be Collateral Security for the whole of the obligations at any time due or outstanding under the provisions hereof.

**17. VARIATION OF SCHEDULES**

The Schedules of this Deed and any matter contained therein or any security or collateral documentation or Mortgage given or to be given by the Borrower may be altered, amended, varied or added to in any way by agreement in



writing between the parties hereto and signed under hand or on their behalf as may be agreed by their solicitors and it is hereby expressly declared that:-

- (a) Notwithstanding such, the Schedules hereto may be amended by the Lender to give effect to the provisions and intention of this Agreement or of the loan as evidenced by the provisions hereof or by any other act writing or direction.
- (b) The contents of this or any security or collateral documentation given or made in relation hereto may be amended by the Lender to give effect to the provisions and intention of this agreement or of the loan as evidenced by the provisions hereof or by any other act, writing or direction.
- (c) Where the Borrower is a corporation any document which purports to effect any such alteration, amendment, variation or addition and is signed by a Director or the Secretary or Authorised Officer of the corporation or made on behalf of the corporation shall be deemed to be signed by that person for and on behalf of the Borrower and shall be binding on the Borrower unless notice of the revocation of such authority is received by the Lender before such agreement is made.

#### **18. CERTIFICATE OF EVIDENCE**

Any certificate signed for and on behalf of the Lender by its Manager, Director, Secretary or Authorised Officer specifying that as at a particular date an amount owing or payable to the Lender under or pursuant to this Deed or any Collateral Security or specifying any other matter of the factual nature which is relevant to any of the rights and obligations of the Lender under this Deed or any Collateral Security shall be admissible by the Lender in any proceedings and shall be prima facie evidence of the matters so specified.

#### **19. MORTGAGE INSURANCE ON SECURITY**

The Lender may in its discretion (as it is hereby authorised to do) effect any insurance in respect of any security to this Loan Agreement or obtain any guarantee from any Mortgage Guarantee Insurer or any other body corporate of or with respect to the monies payable to or recoverable by the

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Lender hereunder. The Borrower will on demand pay to the Lender the amount of any premium or fee paid or payable by the Lender for the effecting or obtaining of such insurance of guarantee and such sum whilst outstanding shall be deemed to be monies hereby secured and whilst outstanding shall attract interest at the Higher Rate.

**20. READING DOWN**

The several covenants and conditions and each and every part thereof contained in this Agreement shall be so construed as not to infringe the provisions of an Act whether State or Federal but if any such covenant or condition on its true interpretation does infringe any such provision that covenant or condition shall be read down to such extent as may be necessary to ensure that it does not so infringe and as may be reasonable in all circumstances so as to give it valid operation of a partial character in the event that the infringing covenant or condition cannot be so read down it shall be deemed to be void and severable.

**21. PRODUCTION OF DOCUMENTS AND FINANCIAL ACCOUNTS**

The Borrower will prepare and deliver to and/or produce for the inspection of the Lender or the nominees of the Lender on demand at any time or times all books of account and other documents as the Lender may require relating to any freehold, leasehold or personal property the subject of any securities given collateral to this Agreement.

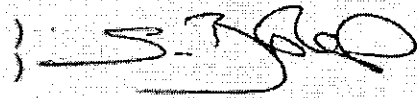
**22. COUNTERPARTS**

This Deed may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

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**IN WITNESS WHEREOF** the parties hereto have executed these presents on the day  
and year first hereinbefore written.

**SIGNED SEALED and DELIVERED** by the said  
**SIMON BISHOP** in the presence of :

) 

Witness: Megan Morgan

Name & Address: Megan E. Morgan

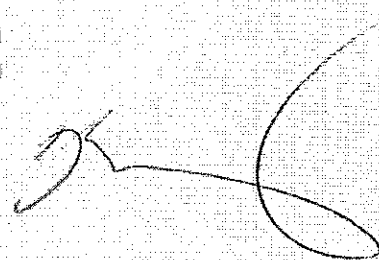
39 Durrant St Brighton 3186.

**SIGNED SEALED and DELIVERED** by the said )  
**GEOFFREY ADRIAN BISHOP** in the presence of : )

Witness: Megan Morgan

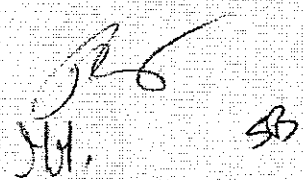
Name & Address: Megan E. Morgan

39 Durrant St Brighton 3186

) 

**SCHEDULE**

1. **LENDER:** **GEOFFREY ADRIAN BISHOP**  
of 51 Middle Crescent  
BRIGHTON VIC 3186
2. **BORROWER:** **SIMON BISHOP**  
Unit 1, 9 Beach Road  
BONDI BEACH NSW 2026
3. **PRINCIPAL SUM:** **Four Hundred Thousand Dollars (\$400,000.00)**
4. **DUE DATE FOR REPAYMENT OF PRINCIPAL:** 1st June 2011
5. **RATE OF INTEREST:** 8.5% per annum Higher Rate  
reducible to 6.5% per annum  
Lower Rate if payments are  
made within TWO (2) days of  
the due date for payment  
thereof and the terms and  
conditions of the securities are  
performed and observed.
6. **INTEREST PAYMENTS:**  
  
The Borrower shall pay interest  
on the Principal Sum  
outstanding from time to time  
calculated monthly in arrears,  
at the interest rates referred to  
in Item 6 of this Schedule as  
follows:-  
  
(a) The first principal payment from  
the date hereof shall be made  
on 1 SEP. 2010 in the sum of  
**ONE HUNDRED THOUSAND  
DOLLARS (\$100,000.00).**

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(b)

All further interest payments shall be by made on the due date together with the repayment of the Principal sum.

7. SECURITY:

Shares (to be issued 2009)  
Held by the Borrower in  
HUB24 Pty. Ltd.  
ACN 126560923  
of 7/20 Hunter Street, Sydney NSW 2000

8. All monies payable by the Borrower to the Lender pursuant to this Deed of Agreement shall be paid to the Lender at 51 Middle Crescent, Brighton, VIC 3186.

9/9/1. SB

**Annexure C: Executive Employment Agreement**  
**(clause 1.1 – Definition of Transaction Documents)**



**INQ Management Services Ltd**  
ACN 135 332 320

**Mr. [Exec]**  
**[Director - HUB24]**

## **EMPLOYMENT AGREEMENT**

**INQ Management Services Limited**  
ABN 59 135 332 320  
Level 11  
7 Macquarie Street  
SYDNEY NSW 2000

**T 02 8274 6000 F 02 9247 6428**

**THIS AGREEMENT** is dated

2010

**BETWEEN**

**INQ Management Services Ltd** ACN 135 332 320 of Level 11, 7 Macquarie Place, Sydney, New South Wales 2000 (**Employer**)

**AND**

**Mr. Exec** of ADDRESS and whose details are further set out in Item 1 of Schedule 1 (**Executive**)

**RECITALS**

- A. The Employer is a service company which provides services of its employees to Investorfirst Limited and other Related Companies.
- B. The Employer has agreed to offer to the Executive and the Executive has agreed to accept the position stated in Schedule 1 of this Agreement.

**OPERATIVE PARTS**

**1. INTERPRETATION**

1.1 A reference in this Agreement to an Item means the corresponding Item in Schedule 1

1.2 The following words have the following meanings:

**Board** means the board of directors of the Company.

**Confidential Information** means all confidential information of or in connection with the Employer, its Related Companies, business associates, suppliers and customers and includes without limitation, the following information of the Employer:

- a) the Employer's computerised or electronic systems and processes (including all trading records); and
- b) financial information; products; service costs, prices, profits and sales; new business ideas; business strategies; product and service plans; marketing plans and studies; forecasts; computer programs; Know-how; Intellectual Property Rights; research projects and
- c) all information connected with customer or prospective customer lists; customer requirements; customer financial information; technical specifications; product design; competitive analyses; and
- d) any document that is marked or which the Executive is informed is confidential or that the Executive ought reasonably to know is confidential to the Employer or any third party.

**Company** means Investorfirst Limited.

**Intellectual Property Rights** means intellectual property rights at any time protected or capable of being protected by statute or common law including

copyright, trade marks, patents, designs, moral rights and any application or right to apply for registration of these rights.

**Know-how** means all knowledge, processes, context, computer databases and technology, technical and market information, financial data and research records, market analysis and/or promotional literature, customers and client information and similar data and all derivatives of such material and improvements to such material relating to the Employer.

**Related Company** means related body corporate as defined in the Corporations Act 2001.

**State** means the State or Territory of Australia referred to in Item 1 of Schedule 1.

1.3 In this document unless the contrary intention appears:

- a) a reference to this Agreement means this Employment Agreement and includes any variation or replacement of it;
- b) a reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements or any of them; and
- c) singular includes the plural number and vice versa;

1.4 All headings in this Agreement have been inserted for the purpose of ease of reference only. They do not affect the meaning or interpretation of it.

## **2. APPOINTMENT**

- 2.1 The Employer offers and the Executive accepts the appointment to the position shown in Item 1 of Schedule 1.
- 2.2 The Executive will be primarily responsible for the duties of [Director - HUB24].
- 2.3 The Executive must also perform such duties and responsibilities as the Employer may assign to the Executive, which are consistent with the nature and character of the Executive's position.
- 2.4 The Executive will devote the whole of the Executive's working time and best efforts to the performance of the Executive's duties and obligations to the Employer. Further, the Executive will at all times during the Executive's employment act in a manner, which promotes the interest of the Employer. The Executive will refrain from acting, or being seen to act, in conflict of interest to the interests of the Employer.
- 2.4 The Executive may be required to undertake a police criminal records check at any time during the course of employment at the direction of the Employer. The Executive must sign and complete all documents and do all such further acts and things as are necessary or desirable to ensure the police record check is carried out. In the event that the Executive fails or refuses to obtain a police criminal record check to the satisfaction of the Employer, the employer may summarily terminate the employment of the Executive.



### **3. TERM & RECOGNITION OF SERVICE**

The Executive's employment with the Employer will commence on the date stated in Item 1 of Schedule 1 and the Executive confirms the other details in Schedule 1 are stated correctly.

For the purposes of calculation of the Executive's leave entitlements, the Employer recognises the time that the Executive has worked as an employee of HUB24 Pty Ltd, where he commenced employment on the date stated in Schedule 1.

### **4. EXECUTIVE DUTIES**

- 4.1 The parties agree that given the Executive's role within the organisation of the Employer and its Related Companies (including the Company), he may during his employment be engaged on work in behalf of the Company and on behalf of other Related Companies.
- 4.2 In consideration for his employment under this Agreement, the Executive covenants in favour of the Company and the Employer to:
- a) act in good faith and faithfully and diligently serve the Employer, the Company and the Related Companies;
  - b) in all respects comply with the reasonable and lawful orders, directions and regulations given or made by the Board or any officer authorised by the Board;
  - c) unless absent on leave as provided in this Agreement, devote the whole of his time, attention and abilities during normal business hours and at such other times as may be reasonably necessary to attend to the Company's affairs;
  - d) not accept any inducement or reward (other than from the Employer, the Company or a Related Company) for any act or omission in connection with his employment under this Agreement;
  - e) use utmost endeavours to promote, develop and extend the interests, reputation and welfare of the Company and the Related Companies;
  - f) act at all times in the Company's and the Related Companies' best interests;
  - g) refrain from acting, or being seen to act, in conflict with the Company's or Related Companies' best interests;
  - h) use best endeavours to protect and promote the Company's and the Related Companies' reputation; and
  - i) comply with the obligations of confidentiality, non-competition and assignment of intellectual property specified in this Agreement.
- 4.3 The Executive must not, during the course of his employment, without the prior written approval of the Board, undertake any appointment position or work that:
- a) results in the Executive competing with the Company, the Employer or the Related Companies; or
  - b) hinders the Executive's performance of duties owed to the Company, Employer or the Related Companies.
- 4.4 Subject to clause 4.3, the Executive may continue to act as director of or hold another office with each of the several companies and undertakings of or with

which at the date of this Agreement he is a director or holds other office, and may act as a director or hold other office with those other companies or undertakings as from time to time and during such times as the Board approves. The Executive will be entitled to retain for his own benefit all fees and emoluments of or associated with all those directorships and other offices

## **5. REMUNERATION AND OTHER BENEFITS**

- 5.1 The Executive will receive the remuneration package and benefits stated in Item 2 of Schedule 1 in consideration for the services rendered by the Executive. The remuneration will be paid by direct credit to the Executive's nominated bank account by as notified by the Employer.
- 5.2 At the Employer's discretion, the Executive may be eligible to participate in discretionary bonus arrangements.

## **6. SUPERANNUATION**

- 6.1 The Employer will make contributions on the Executive's behalf in accordance with Government legislation into a complying superannuation fund in order to meet its obligations under the superannuation guarantee legislation. Currently 9% of your remuneration package will be contributed to an approved superannuation fund.
- 6.2 The Executive may make additional contributions to the fund at the Executive's discretion.

## **7. HOURS OF WORK**

- 7.1 The Employer's standard office hours are those stated in Item 1 of Schedule 1. Consistent with the professional nature of the position, the Executive may be required to work beyond these hours to fulfill the Executive's duties. From time to time it may be necessary for the Executive to work on evenings and on weekends as well as attend functions with clients on evenings or weekends.
- 7.2 The hours, which the Executive is expected to work, are reflected in the Executive's remuneration. There will be no payment for overtime.
- 7.3 The Executive may be required to travel to or stay at other offices or locations.

## **8. LEAVE ENTITLEMENTS & TRAVEL**

- 8.1 Annual leave entitlement is 20 days per annum for each 12 months of completed service. Leave is to be taken at a time that is mutually acceptable to both you and Investorfirst and should not be permitted to accumulate more than one year's entitlement without written consent of the Employer. Applications for annual leave should be made to the Executive's manager as early as possible to assist the Employer in scheduling for staff absences.
- 8.2 Sick leave / carer's leave entitlement is 10 days per annum and cumulative. The Executive is required to produce a doctor's certificate for 2 consecutive working days absence, or if sick leave is taken adjacent to a public holiday, or upon request. Without a medical certificate no payment will be made for the day/s absence and the public holiday/s.
- 8.3 Entitlement to long service leave will be in accordance with applicable legislation in the State.

- 8.4 The Executive is entitled to bereavement leave of 2 days paid leave for each occasion when a member of the Executive's household has a personal illness or injury that poses a serious threat to their life or dies. Applications for other leave will require approval from the Executive's manager or other person appointed by the Board.
- 8.5 You will, when necessary, be required to work at other locations. Although your base location has been specified, travel to other locations may be required. The Employer will cover all reasonable and legitimate business related expenses authorised prior to travel.

## **9. EMPLOYER POLICIES AND PROCEDURES**

- 9.1 The Executive acknowledges that they are aware of the Employer's policies and procedures that are in operational effect at the commencement of their employment and will read all of the Employer's policies as amended from time to time. The Executive will at all times comply with the terms of the Employer's policies and procedures, as in place from time to time.
- 9.2 The Employer's policies and procedures are for the Employer's benefit solely, do not create any right or entitlement for the Executive and do not form part of the Executive's employment contract with the Employer.
- 9.3 The Employer's policies stipulates that staff who deal with clients, are in contact with clients, handle client information, handle or bank monies, or assist in any of these functions must be police clearance checked. The Employer may from time to time request that the Executive a form for an Australian Federal Police check to be undertaken and the Executive agrees to complete such a form and provide identification and other request information as necessary.

## **10. NO AUTHORITY TO BIND COMPANY IN CONTRACT**

- 10.1 Subject to clause 10.2, the Executive acknowledges that the Executive has no authority to, and agrees not to or purport to, bind the Employer in contract;
- 10.2 The Board of the Employer or the Executive Chairman may from time to time authorise an Executive of the Employer to do certain acts or execute certain documents, in which case the Executive must faithfully comply with the limits of such authority.

## **11. CONFIDENTIALITY**

- 11.1 During the course of the Executive's employment Confidential Information will come to the Executive's attention or into the Executive's possession or control. All the Confidential Information is totally confidential whether or not there is a statement to that effect attached to the information.
- 11.2 The Executive is required during the Executive's employment and at all times after the Executive's employment to keep the Confidential Information referred to in clause 11.1 confidential. The Executive must not disclose, use, memorise or make any copy or summary of the Confidential Information other than in accordance with the Executive's duties as an employee of the Employer.

- 11.3 The Confidential Information the Executive receives will only cease to be confidential if it becomes publicly known, other than as a result of a breach of a confidentiality obligation.

## **12. RESTRAINTS**

- 12.1 During the Executive's employment, the Executive is not permitted to be involved (either directly or indirectly) with any business or enterprise that is similar to or in competition in any manner whatsoever with the business (or proposed business) of the Employer or its Related Companies, other than by owning shares in a company (not exceeding 5% of the share capital of that company) listed on the stock exchange, or shares in an unlisted company (not exceeding 5% of the share capital of that company) provided that the Executive is not a director, employee or consultant to that company.
- 12.2 In this Agreement, the terms "Restraint Period", "Restraint Area" and "Business" have the meaning set out in Item 2 of Schedule 3.
- 12.3 During the First Restraint Period, the Executive must not, in the Restraint Area:
- a) engage in, be involved in or be associated with, a business competing with the Business, in the capacity of a principal, agent, director, employee, partner, majority shareholder or unit holder, joint venturer, trustee, beneficiary, contractor, advisor, consultant, or in any capacity in which the Executive is likely to utilise:
    - i. trade secrets of the Employer or a Related Body Corporate;
    - ii. information relating to the commercial relationship between the Employer or a Related Body Corporate and any Customer or Supplier with whom the Executive had personal contact in the course of their employment in relation to the Business; or
    - iii. unless the following form of restraint is invalid or unenforceable, Confidential Information.
- 12.4 During the Second Restraint Period, the Executive must not, in the Restraint Area:
- a) solicit or compete for the custom of any person who was a Customer:
    - i. during the Executive's employment with the Employer; or (if that form of restraint is held to be unreasonable)
    - ii. at the time of termination of the Executive's employment with the Employer,  
and with whom the Executive had personal contact in the course of their employment in relation to the Business;
  - b) accept business of the same or a similar nature to the Business from any person who was a Customer:
    - i. during the Executive's employment with the Employer; or (if that form of restraint is held to be unreasonable)
    - ii. at the time of the termination of the Executive's employment with the Employer,  
and with whom the Executive had personal contact in the course of their employment in relation to the Business; or

- c) solicit or endeavour to obtain the services of any person who was an executive, consultant or contractor of the Employer or a Related Body Corporate at the time of the termination of the Executive's employment with the Employer.
- 12.5 The prohibitions and restraints set out in this clause 12 and including the definitions in Item 2 of Schedule 3, subject to clause 12.6, are to be read and construed and to have effect as a separate, severable and independent prohibition or restraint, each from the other as regards each Restraint Period in combination with each Restraint Area, and is enforceable accordingly, so that:
  - a) the invalidity or unenforceability of any prohibition or restraint in respect of any of the Restraint Periods in combination with any of the Restraint Areas does not affect the validity or enforceability of the prohibitions or restraints in respect of any other Restraint Period in combination with the same or any other Restraint Area; and
  - b) the invalidity or unenforceability of any prohibition or restraint in respect of any of the Restraint Areas in combination with any of the Restraint Periods does not affect the validity or enforceability of the prohibitions or restraints in respect of any other Restraint Area in combination with the same or any other Restraint Period.
- 12.6 If there is any inconsistency or contradiction between several prohibitions or restraints which are not invalid or unenforceable, the prohibition or restraint with the longest Restraint Period and the widest Restraint Area, to the exclusion of any other prohibition or restraint, constitutes the prohibition or restraint agreed between the parties.
- 12.7 The Executive acknowledges that as a result of their employment with the Employer they will acquire special, confidential, unique and invaluable information. The Executive further acknowledges that a breach by them of the restraints in clause 12.3 or 12.4 will irrevocably damage the Employer and that accordingly an award of damages or an account of profits alone would be inadequate to compensate the Employer for a breach of clause 12.3 or 12.4. The Executive therefore acknowledges that if they breach any of the restraints in clause 12.3 or 12.4 the Employer will have a right to seek and obtain an ex parte, interim, interlocutory or final injunction to prohibit and restrain the Executive from any violation or suspected or threatened violation of clause 12.3 or 12.4 and to produce this Agreement as the Executive's irrevocable consent thereto.
- 12.8 The Executive acknowledges that the covenants in respect of restraint of trade contained in this clause are fair and reasonable and that the Employer is relying upon this acknowledgement in entering into this Agreement.
- 12.9 The parties agree that the consideration for the Executive agreeing to these restraints includes the Executive's annual remuneration, and the provision to the Executive of other valuable financial benefits including incentives.

### **13. INTELLECTUAL PROPERTY RIGHTS**

- 13.1 The Executive assigns and transfers to the Employer, the Executive's right, title and interest in and to any and all Intellectual Property Rights (anywhere in the world) and all rights of action, damages and other relief recoverable in respect of infringements of Intellectual Property Rights (anywhere in the world) which the Executive creates, discovers or develops after the date of this Agreement, either solely or jointly with others:

- a) which have been developed for use by the Employer or its customers;
- b) in respect of which the Executive has been remunerated under this Agreement;
- c) which relate to the Executive's employment under this Agreement;
- d) utilising any time, material or facilities of the Employer or of any of its Related Companies; or
- e) which relate in anyway to the Employer, products or processes or other activities of the Employer or of any of its Related Companies.

13.2 Immediately upon creating, making or developing any Intellectual Property Rights, the Executive must disclose the Intellectual Property Rights to the Employer and must execute and deliver to the Employer, without further payment or compensation, such documents as may be necessary to assign and transfer to the Employer the Executive's entire right, title and interest in and to Intellectual Property Rights and to prepare or prosecute applications for letters patent with respect to the Intellectual Property Rights on behalf of the Employer.

#### **14. COMPANY MAY SEEK COURT INJUNCTION**

The Executive agrees that an appropriate remedy for any breach or reasonably suspected breach of the Executive's obligations under clauses 11 to 13 inclusive may (in addition to any other remedies available at law or in equity) include the Employer obtaining an injunction, to prevent or stop the continuance of the Executive doing any act which may cause harm to the Employer.

#### **15. TERMINATION**

15.1 The Executive's employment may be terminated on four week's notice given by either the Executive or the Employer. The Employer reserves the right to make a payment in lieu of the notice period.

15.2 If the Executive fails to give the required notice, the Executive hereby expressly authorises the Employer to withhold from any payment due to the Executive's the amount of the Executive's remuneration equal to the balance of the ungiven notice period.

15.3 The Employer may summarily terminate the Executive's employment without notice and payment in lieu if the Executive:

- a) commits any serious or persistent breach of any of the provisions of this Agreement;
- b) is guilty of any grave misconduct or wilful neglect in the discharge of the Executive's duties, or refuses to obey the lawful direction of the Employer;
- c) becomes bankrupt or makes any arrangement or composition with the Executive's creditors;
- d) becomes of unsound mind;
- e) is convicted of any criminal offence other than an offence which in the reasonable opinion of the Employer does not affect the Executive's position as Executive of the Employer;

- f) becomes permanently incapacitated by reason of accident or illness from performing the Executive's duties under this Agreement and for the purpose of this clause incapacity in excess of ninety (90) consecutive days or for an aggregate period of ninety (90) days in any period of twelve (12) months will be deemed to be permanent incapacity; or
- g) commits any other act or omission justifying summary dismissal at common law.

15.4 Where the employment of the Executive has ended and the Employer has made a request for the return of property that belongs to the Employer and the Executive has not returned the property on request, then the Employer is authorised to withhold monies from the Executive up to the replacement value of that property.

## **16. NOTICES**

Every notice under this Agreement must be in writing and may be served by letter addressed to the party to be served by being delivered or being sent by mail to the party's address as follows:

- 16.1 in the case of notices to the Employer, to the registered office of the Employer;
- 16.2 in the case of notice to the Executive, to the address of the Executive in this Agreement on such address last known to the Employer; and
- 16.3 every notice sent by post shall be deemed to have been served 48 hours after having been placed in the post.

## **17. AMENDMENT**

No amendment to this Agreement will be valid unless in writing and signed by both parties in the same manner as that in which this Agreement has been executed.

## **18. WAIVER**

The failure by the Employer to enforce any provision of this Agreement will in no way be deemed a waiver of the Employer's right to enforce that provision or any other provision of this Agreement.

## **19. ENTIRE AGREEMENT**

This document contains the entire Agreement between the parties in respect of the subject matter of this document and supersedes all prior understandings and representations between the parties with respect to the subject matter of this document.

## **20. NON ASSIGNMENT**

Neither party may transfer or assign any of its liabilities or rights under this Agreement to any other person.

## **21. SEVERANCE**

A provision of this Agreement which is unenforceable shall be ineffective to the extent of the unenforceability without invalidating the remaining provisions of this Agreement and without affecting enforceability of the other provisions of this Agreement.

## **22. GOVERNING LAW**

The contents of this document, its meaning and interpretation and the relationship of the parties are to be governed by the laws of the State. The parties irrevocably submit to the jurisdiction of the courts in the State.



**SIGNED** as an Agreement.

**SIGNED** for and on behalf of  
**INQ Management Services Limited ACN 135 332 320**

.....  
Signature

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**SIGNED** by .....  
Mr. Exec (Signature)

In the presence of:

.....  
(Print Name) (Signature)

## **SCHEDULE 1**

### **Item 1 – Executive Details**

Name: Mr Exec  
Address:  
Position: [Director – HUB24]  
Reporting to:  
Location: Level 11, 7 Macquarie Place  
Sydney NSW 2000  
Hours: 38 hours a week, as a minimum,  
to be worked 8.30am to 5.00pm

State in which Executive employed: New South Wales  
Commencement Date: [1] December 2010  
Date Employee commenced employment with  
HUB24 Pty Ltd (for the purposes of clause  
3)

### **Item 2 – Remuneration and Other benefits**

#### **Base Salary**

Superannuation

#### **Total Salary**

**Other benefits** none

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Initial of Executive

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Initial of Employer

**SCHEDULE 2**  
**Position Description**

**[to follow]**

### **SCHEDULE 3**

#### **Definitions for Confidentiality and Restraint**

##### **Item 1: Specific confidential information**

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The following processes, methods and/or systems of the Employer:

- (a) lists of clients and information about clients including clients' contact details, Personal Information, and Intellectual Property;
- (b) commercial strategies created by or for the Employer or its Related Companies, including marketing, advertising, business development, and financial planning;
- (c) business planning undertaken by or for the Employer or its Related Companies for the Business or the clients, or in dealing with suppliers; and
- (d) strategic analysis and research methodologies that have been utilised or created by or for the Employer or its Related Companies within the business of the Employer or in servicing clients.

##### **Item 2: Non-competition definitions**

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- (a) **"Restraint Area"** means:
  - (i) Sydney;
  - (ii) New South Wales;
  - (iii) Victoria;
  - (iv) Victoria and New South Wales;
  - (v) Australia.
- (b) **"First Restraint Period"** means the term of the Executive's employment with the Employer and the following number of months after the termination of that employment:
  - (i) 3 months; and
  - (ii) 6 months;
- (c) **"Second Restraint Period"** means the term of the Executive's employment with the Employer and the following number of months after the termination of that employment:
  - (i) 3 months;
  - (ii) 6 months; and
  - (iii) 12 months.
- (d) **"Business"** means:
  - (i) providing stockbroking services to retail and institutional investors and clients;
  - (ii) providing information and intellectual services to the financial services sector;
  - (iii) designing and carrying out independent investment research;
  - (iv) broking operations; and
  - (v) any other business in respect of which the Executive provides or provided services in the course of his employment with the Employer or a Related Company, whether for the Employer or a Related company.

**Annexure D: Escrow Restriction Agreement**  
**(clause 3.5)**

THIS ESCROW RESTRICTION AGREEMENT is made on

2010

BETWEEN:

[Name] of [address] (Transferee)

*[Drafting note: if the Transferee is a corporation, then the directors of the Transferee will be a party to this agreement]*

[Name] of [address] (Director of Transferee)

and

Investorfirst Ltd of Level 11, 7 Macquarie Place, Sydney NSW 2000 (INQ).

RECITALS:

- A. The parties have entered into a share sale agreement pursuant to which shares in HUB24 Pty Ltd have been purchased by INQ.
- B. The consideration paid by INQ is shares in INQ, which the parties have agreed are subject to an escrow period as agreed in this Deed.

OPERATIVE TERMS

1. Definitions

The following definitions are used in this Deed:

**Associate** has the meaning given to that term in the Share Sale Agreement;

**ASX** means Australian Securities Exchange;

**Change of Control** in relation to INQ, means that a person and their Associates gain a Relevant Interest in 50.1% or more of ordinary shares in the capital of INQ (where the term Relevant Interest has the meaning given in the Corporations Act);

**Corporations Act** has the meaning given to that term in the Share Sale Agreement;

**Determined Claim** means a Claim (as that term is defined in the Share Sale Agreement) pursuant to the Share Sale Agreement that has been finally resolved by agreement between the Buyer and the Sellers and/ or Covenantors (as those terms are defined in the Share Sale Agreement) or by a Court of competent jurisdiction;

**Escrow Period** means a period commencing on the day the Transferee is issued the Escrow Shares and ending on the earlier of either:

- a) the date stated in the Schedule for that number of Escrow Shares;
- b) the Parties consenting in writing to end the Escrow Period (in relation to which the Parties agree that consent of INQ can only be given following the passing of a resolution by the board of directors of INQ given subject to clause 3.6 of the Share Sale Agreement); or

- c) the Escrow Period being waived, in accordance with clauses 4b or 4c of this Deed; or
- d) seven business days after the HUB24 Business achieves a total of not less than \$1.75 Billion in Funds Under Management;

**Escrow Shares** means a total of [XX] fully paid ordinary shares in INQ which have been issued to the Transferee;

**Funds Under Management** means funds invested by investors in financial products or services using the managed account services provided by the HUB24 Business and on which the HUB24 Business earns fee income;

**HUB24 Business** means the businesses conducted by the following companies: HUB24 Pty Ltd, HUB24 Operations Pty Ltd and HUB24 Services Pty Ltd;

**Insolvency Event** has the meaning given to that term in paragraphs (a), (b) and (c) of the definition of Insolvency Event in the Share Sale Agreement;

**Liability** has the meaning given to that term in the Share Sale Agreement;

**Listing Rules** mean the official listing rules, from time to time of the ASX;

**Parties** mean the Transferee and INQ;

**Security Interest** has the meaning given in the Share Sale Agreement; and

**Share Sale Agreement** means the share sale agreement between INQ, shareholders of HUB24 Pty Ltd and other parties, for the sale of shares in HUB24 Pty Ltd.

## **2. Transferee's obligations**

During the Escrow Period, the Transferee will not do any of the following:

- a. dispose of, or agree or offer to dispose of, the Escrow Shares;
- b. create, or agree or offer to create, any Security Interest in the Escrow Shares; or
- c. do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Escrow Shares.

For the avoidance of any doubt, the obligations in this clause 2 do not impose any restrictions on the voting of the Escrow Shares which carry a vote, or on entitlements to receive dividends or distributions.

- 3. If the Transferee is a corporation, then during the Escrow Period, the directors and shareholders of the Transferee agree that they will not do any of the following:
  - a) dispose of, or agree or offer to dispose of, a controlling interest in the Transferee;

- b) enter an agreement or arrangement that would result in any party (other than the current shareholders of the Transferee) gaining a majority of the voting shares, or the right to vote such shares, in the Transferee;
- c) create, or agree or offer to create, any Security Interest that would allow a third party to gain a controlling interest in the Transferee; or
- d) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of a controlling interest in the Transferee.

**4. Waiver of Escrow**

- a. The obligations in clause 2 and 3 of this Deed may be waived (in part or whole) during the Escrow Period at the absolute discretion of the board of directors of INQ by passing a resolution at a duly convened board meeting of INQ subject to clause 3.6 of the Share Sale Agreement.
- b. If during the Escrow Period, an Insolvency Event occurs in relation to INQ, then the obligations in clauses 2 and 3 of this Deed will be deemed to be waived.
- c. If during the Escrow Period, INQ undergoes a Change of Control, then the obligations in clauses 2 and 3 of this Deed will be deemed to be waived.
- d. In each case under this clause 4, if the Escrow Shares are duly released in accordance this clause 4, INQ must do all things and execute all documents that are reasonably necessary to ensure that the Escrow Shares are released from the holding lock referred to in clause 6 below.

**5. Takeover Bid**

- a. If during the Escrow Period an offer under a takeover bid (as defined in the Corporations Act) is made in respect of INQ, then the board of INQ will consider the escrow arrangements under this Deed in the context of the takeover bid. For the avoidance of doubt, any resolution considered or passed by the board of directors of INQ will be passed subject to clause 3.6 of the Share Sale Agreement.

**6. Obligation to release**

- a. Subject to the Corporations Act and the Listing Rules, if during the Escrow Period the Transferee or the Director of the Transferee has a Liability to INQ arising from a Determined Claim, then the Transferee may settle that Liability by either:
  - (i) paying an amount equal to the Liability in cash to INQ; or
  - (ii) giving a written notice to INQ that such number of Escrow Shares (at a value of 7.5 cents) that are equal to the amount of the Liability, be released from the escrow



obligations under this Deed and transferred to a party nominated by INQ. Upon completion of the transfer of that number of Escrow Shares, that Liability will be taken to be paid.

b. If the Transferee is prohibited under either:

i. Division 3 of Part 7.10 of the Corporations Act; or

ii. INQ's corporate governance procedures,

from dealing in the Escrow Shares in accordance with clause 6 a (ii) above, at the time the Transferee must satisfy the Liability, then the payment of the Liability is to be delayed for a period of up to 3 months so as to allow the Transferee to exercise its rights under clause 6 a (ii). If by the end of that period of time the Transferee is still unable to deal with the Escrow Shares in accordance with clause 6 a (ii), then the Transferee must pay the applicable amount to satisfy the Liability by a cash payment.

c. For the avoidance of doubt, the Parties agree and acknowledge that no provision of this Deed gives INQ security over shares in itself (within the meaning of section 259B(1) of the Corporations Act).

7. The Parties agree to comply with the Listing Rules and take any further steps that are reasonably required for compliance with the Listing Rules in respect of the transactions contemplated by this Deed.

8. The Transferee agrees that the Escrow Shares will be held in INQ's issuer sponsored subregister and the Transferee agrees to the application of a holding lock pursuant to ASX Listing Rule 8.10.1(i) on the Escrow Shares during the Escrow Period.

9. Any notice or other communication to or by a party under this Deed may be given by personal service, post or facsimile, must be in writing, legible and in English addressed (depending on the manner in which it is given) as shown below:

(i) If to the Transferee:  
Address: [address]  
Attention: [name]  
Facsimile: [number]

(ii) If to INQ:  
Address: PO Box R521, Royal Exchange NSW 1225  
Attention: Otto Buttula  
Facsimile: +61 2 9247 6428

or to any other address last notified by the party to the sender by notice given in accordance with this clause;

10. This Deed can only be amended by agreement between the Parties recorded in writing.
11. Each Party to this Deed warrants that it has full power to enter into and perform its obligations under this Deed.
12. The laws of New South Wales apply to this Deed and each of the Parties agrees to submit to the non-exclusive jurisdiction of the courts of New South Wales.

#### **SCHEDULE**

The Escrow Period for each specified number of Escrow Shares commences on the day the Transferee is issued the Escrow Shares and ends on the date specified:

| <b>Number of Escrow Shares in specified escrow period</b> | <b>% of total Escrow Shares</b> | <b>Escrow Period end date</b> |
|-----------------------------------------------------------|---------------------------------|-------------------------------|
| 25% of the total issued to the Transferee                 | 25%                             | 1 December 2011               |
| 25% of the total issued to the Transferee                 | 25%                             | 1 June 2012                   |
| 50% of the total issued to the Transferee                 | 50%                             | 1 December 2012               |

**Signed by the Parties as a Deed**

**SIGNED, SEALED AND DELIVERED** by )  
[Transferee] in the presence of: )

.....  
Signature

.....  
Signature of witness

.....  
Name of witness  
(please print)

[signing clause for Director of the Transferee]

**SIGNED, SEALED AND DELIVERED** by )  
Investorfirst Limited ACN 124 891 685 in )  
accordance with section 127(1) of the )  
Corporations Act 2001 (Cth): )

.....  
Signature of director

.....  
Signature of director or company secretary\*  
\*delete whichever does not apply

.....  
Name (please print)

.....  
Name (please print)