



ASX ANNOUNCEMENT

NOTICE OF ANNUAL GENERAL MEETING AND PROXY FORM

SYDNEY, Friday 1 September 2017: The Notice of Annual General Meeting and Proxy Form of Managed Accounts Holdings Limited (ASX: MGP) are attached.

The Annual General Meeting will be held at 11:00am (Sydney time) on Thursday 12 October 2017 at the offices of Grant Thornton Australia at Level 17, 383 Kent Street, Sydney, New South Wales.



NOTICE OF 2017 ANNUAL GENERAL MEETING

MANAGED ACCOUNTS HOLDINGS LIMITED

ACN 128 316 441

11:00am (Sydney time)

Thursday 12 October 2017

To be held at the offices of Grant Thornton Australia
at Level 17, 383 Kent Street, Sydney, NSW 2000

This Notice of Annual General Meeting should be read in its entirety. If you are in doubt as to how you should vote, you should seek advice from your professional adviser.

Should you wish to discuss the matters in this Notice of Annual General Meeting, please contact the Company Secretary on (02) 8006 5900.

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GENERAL INFORMATION

VENUE

The Annual General Meeting of the shareholders of Managed Accounts Holdings Limited ACN 128 316 441 (**Company**) to which this Notice of Annual General Meeting relates will be held at the offices of Grant Thornton Australia at Level 17, 383 Kent Street, Sydney, New South Wales 2000 at 11:00am (Sydney time) on Thursday 12 October 2017 (**Annual General Meeting**).

OPPORTUNITY TO ASK QUESTIONS

The Annual General Meeting is an opportunity to ask questions of the board of the Company (**Board**) and management on the items of business before the Annual General Meeting and the management of the Company or questions of the auditor on the conduct of the audit and the auditor's report.

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON AND BY PROXY

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

You have the right to appoint a proxy of your choice. The proxy need not be a shareholder of the Company. If you are entitled to vote two or more votes you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If you appoint two proxies and the appointment does not specify the proportion or number of your votes, then each proxy may exercise half of the votes.

You may make your proxy appointment on-line at www.registrydirect.com.au/investor. If you have any problems accessing the on-line service, please contact the Company's share registry, Registry Direct on 1300 55 66 35 (within Australia) or +61 3 9909 9909 (outside Australia).

Alternatively, you may complete and sign a proxy form and return by:

- (a) post to Registry Direct, PO Box 18366 Collins Street East Melbourne Victoria 8003 Australia;
- (b) facsimile on facsimile number +61 3 9111 5652; or
- (c) hand or courier delivery to Registry Direct, Level 6, 2 Russell Street, Melbourne VIC 3000.

Your proxy must be received by 11:00am (Sydney time) on Tuesday 10 October 2017.

Proxy forms and appointments received later than the above time will be invalid.



LETTER FROM THE CHAIRMAN

Dear shareholder

I am pleased to invite you to the Annual General Meeting of the Company which will be held at the offices of Grant Thornton Australia at Level 17, 383 Kent Street, Sydney, New South Wales 2000 on Thursday 12 October 2017, commencing at 11:00am (Sydney time).

The following pages contain details of the items of business that you have the opportunity to vote on at the Annual General Meeting.

A copy of the Company's Annual Report is available on the Company's website (www.managedaccounts.com.au).

I look forward to seeing you at the Annual General Meeting on Thursday 12 October 2017. If you are unable to attend please ensure that you lodge a proxy by the required date and time.

Yours sincerely,

Donald Sharp
Executive Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of shareholders of the Company will be held at the offices of Grant Thornton Australia at Level 17, 383 Kent Street, Sydney, New South Wales 2000 at 11:00am (Sydney time) on Thursday 12 October 2017.

The Explanatory Statement to this Notice of Annual General Meeting provides information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the proxy form are part of this Notice of Annual General Meeting.

The directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered shareholders of the Company at 7pm (Sydney time) on Tuesday 10 October 2017.

AGENDA

ORDINARY BUSINESS

FINANCIAL STATEMENTS AND REPORTS

To consider the financial statements of the Company for the financial year ended 30 June 2017 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

RESOLUTION 1 – REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as a **non-binding resolution**:

“That the remuneration report as contained in the directors' report of the Company for the financial year ended 30 June 2017 be adopted.”

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – DONALD SHARP

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Don Sharp, who retires in accordance with clause 12.11(a) of the Company's constitution and being eligible, offers himself for re-election, be re-elected a director.”

RESOLUTION 3 – RE-ELECTION OF DIRECTOR – PETER BROOK

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That Peter Brook, who retires in accordance with ASX Listing Rule 14.4 and clause 12.7(b) of the Company's constitution and being eligible, offers himself for re-election, be re-elected a director.”

SPECIAL BUSINESS

RESOLUTION 4 – APPROVAL OF EXECUTIVE SHARE OPTION PLAN

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That the Managed Accounts Holdings Limited Executive Share Option Plan (**Executive Plan**) tabled at the meeting and marked with the letter "A" and initialled by the Chairman of the meeting for the purpose of identification, be approved by the Company and that approval be given in accordance with ASX Listing Rule 7.2 Exception 9(b) for the issue of securities from time to time under the Executive Plan as an exception to the rule in ASX Listing Rule 7.1.”

RESOLUTION 5 – ASX LISTING RULE APPROVAL FOR ACCELERATION OF VESTING OF EMPLOYEE OPTIONS

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 6.23 and for all other purposes, shareholders approve and authorise the acceleration of the vesting of up to 355,000 options (with an exercise price of \$0.22 per option and expiry date of 27 November 2019) granted to staff under the Company’s Employee Share Option Plan, in accordance with the terms and conditions set out in the Explanatory Statement.”

RESOLUTION 6 – APPROVAL OF TERMINATION BENEFITS

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of sections 200B and 200E of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the giving of benefits by the Company or any of its related bodies corporate under the Company’s Employee Share Option Plan or Executive Share Option Plan to persons who hold or during the three years prior to their retirement held a managerial or executive office in the Company or a related body corporate (or to a spouse, relative or associate of such persons), in connection with the relevant person ceasing to hold a managerial or executive office in the Company or a related body corporate, as set out in the Explanatory Statement.”

RESOLUTION 7 – RATIFICATION OF PRIOR GRANT OF EMPLOYEE OPTIONS PURSUANT TO ASX LISTING RULE 7.1

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 7.4 and all other purposes, approval is given to the grant of 6,000,000 employee options under the Company’s Executive Share Option Plan, as detailed in the Explanatory Statement.”

RESOLUTION 8 – NON-EXECUTIVE DIRECTORS’ REMUNERATION

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That for the purposes of ASX Listing Rule 10.17 and clause 13.1 of the Company’s constitution, the total amount of directors’ fees that may be paid in aggregate in any one year by the Company to its non-executive directors be increased by \$60,000, from \$180,000 to \$240,000 (including superannuation) with effect from the close of the meeting.”

VOTING EXCLUSION STATEMENT

RESOLUTION 1 – REMUNERATION REPORT

As required by the Corporations Act 2001 (Cth) (**Corporations Act**), the Company will in accordance with section 250R, disregard any votes cast on Resolution 1 by or on behalf of a member of the key management personnel for the Company details of whose remuneration are included in the Remuneration Report, or a closely related party of any such a member. However, the Company need not disregard such a vote if the vote is not cast on behalf of such a person and is cast:

- (a) as a proxy by writing that specifies how the person is to vote on the resolution; or
- (b) by the Chairman of the meeting as a proxy, and the appointment does not specify the way the proxy is to vote and expressly authorises the Chairman to exercise the proxy even if the resolution

is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

The term “closely related party” in relation to a member of the key management personnel includes a spouse, child dependent and certain other close family members as well as any companies controlled by the member.

RESOLUTION 4 – APPROVAL OF EXECUTIVE SHARE OPTION PLAN

As required by the ASX Listing Rules, the Company will disregard any votes cast on the proposed Resolution 4 by a director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) or by any associate of such a director of the Company. However, the Company need not disregard a vote on Resolution 4 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

As required by the Corporations Act, no member of the Company’s key management personnel or a closely related party of any such member may vote as proxy on Resolution 4 unless:

- (a) the person votes as proxy appointed by writing that specifies how the person is to vote on Resolution 4; or
- (b) the person is the chair of the meeting and votes as a proxy appointed by writing that expressly authorises the chair to exercise the proxy even though that resolution is connected with the remuneration of a member of the Company’s key management personnel.

RESOLUTION 5 – ASX LISTING RULE APPROVAL FOR ACCELERATION OF VESTING OF EMPLOYEE OPTIONS

As required by the ASX Listing Rules, the Company will disregard any votes cast on the proposed Resolution 5 by a person who holds an option that is the subject of the approval under this Resolution or by any associate of such a person. However, the Company need not disregard a vote on Resolution 5 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

As required by the Corporations Act, no member of the Company’s key management personnel or a closely related party of any such member may vote as proxy on Resolution 5 unless:

- (a) the person votes as proxy appointed by writing that specifies how the person is to vote on Resolution 5; or
- (b) the person is the chair of the meeting and votes as a proxy appointed by writing that expressly authorises the chair to exercise the proxy even though that resolution is connected with the remuneration of a member of the Company’s key management personnel.

RESOLUTION 6 – APPROVAL OF TERMINATION BENEFITS

As required by the Corporations Act, no votes on Resolution 6 may be cast (in any capacity) by or on behalf of any person who may be entitled to receive a benefit in connection with that person’s retirement from office or position of employment, the subject of Resolution 6, or an associate of such a person, except where there is a permitted proxy vote. A vote is a permitted proxy vote where it is:

- (a) cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the resolution; and
- (b) not cast on behalf of the retiree or an associate of the retiree.

Also as required by the Corporations Act, no member of the Company's key management personnel or closely related party of any such member may vote as proxy on Resolution 6 unless:

- (a) the person votes as proxy appointed by writing that specifies how the person is to vote on Resolution 6; or
- (b) the person is the chair of the meeting and votes as a proxy appointed by writing that expressly authorises the chair to exercise the proxy even though that resolution is connected with the remuneration of a member of the Company's key management personnel.

RESOLUTION 7 – RATIFICATION OF PRIOR GRANT OF EMPLOYEE OPTIONS PURSUANT TO ASX LISTING RULE 7.1

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on Resolution 7 by a person who participated in the issue of options, and an associate of those persons. However, the Company need not disregard a vote on Resolution 7 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Also as required by the Corporations Act, no member of the Company's key management personnel or closely related party of any such member may vote as proxy on Resolution 6 unless:

- (a) the person votes as proxy appointed by writing that specifies how the person is to vote on Resolution 7; or
- (b) the person is the chair of the meeting and votes as a proxy appointed by writing that expressly authorises the chair to exercise the proxy even though that resolution is connected with the remuneration of a member of the Company's key management personnel.

RESOLUTION 8 – NON-EXECUTIVE DIRECTORS' REMUNERATION

As required by the ASX Listing Rules, the Company will disregard any votes cast on the proposed Resolution 8 by a director of the Company or by any associate of a director of the Company. However, the Company need not disregard a vote on Resolution 8 if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

As required by the Corporations Act, no member of the Company's key management personnel or a closely related party of any such member may vote as proxy on Resolution 8 unless:

- (a) the person votes as proxy appointed by writing that specifies how the person is to vote on the Resolution; or

- (b) the person is the chair of the meeting and votes as a proxy appointed by writing that expressly authorises the chair to exercise the proxy even though that resolution is connected directly or indirectly with the remuneration of a member of the Company's key management personnel.

GENERAL INFORMATION ON PROXY VOTING

Subject to the requirements of the Corporations Act in relation to Resolution 6, it is the intention of the Chairman to vote eligible undirected proxies in favour of all Resolutions.

In respect of Resolutions 1, 4, 5, 7 and 8, the proxy form contains an express authorisation for the Chairman to exercise undirected proxies even though this resolution is connected directly or indirectly with the remuneration of a member of key management personnel.

Those shareholders appointing a proxy who do not want the Chairman to vote for them or do not want the Chairman to vote in accordance with the Chairman's intentions, have the ability to:

- (a) appoint the Chairman as proxy with a direction to cast votes contrary to the Chairman's stated voting intentions by instructing the Chairman to vote 'against' or to 'abstain' from voting on these Resolutions; or
- (b) appoint a person other than the Chairman as proxy with or without a direction to cast votes 'for', 'against' or to 'abstain' from voting on these Resolutions (as the shareholder considers appropriate).

In respect of Resolution 6 only, the Chairman is not entitled to exercise undirected proxies under the Corporations Act. If you wish the Chairman to exercise your proxy in relation to Resolution 6, please direct the Chairman how to vote.

DATED: 1 September 2017

BY ORDER OF THE BOARD



Donald Sharp
EXECUTIVE CHAIRMAN

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held at the offices of Grant Thornton Australia at Level 17, 383 Kent Street, Sydney, New South Wales 2000 on Thursday 12 October 2017 at 11:00am (Sydney time).

The purpose of this Explanatory Statement is to provide information to assist shareholders in deciding whether or not to pass the Resolutions in this Notice of Annual General Meeting.

FINANCIAL STATEMENTS AND REPORTS

The business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2017 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

RESOLUTION 1 – REMUNERATION REPORT

The remuneration report as set out in the directors' report in the Company's 2017 Annual Report must be put to the vote for its adoption in accordance with section 250R(2) of the Corporations Act. The vote on this resolution is advisory only and does not bind the directors or the Company.

The remuneration report sets out the Company's remuneration arrangements for the directors and senior management of the Company. The remuneration report is part of the directors' report for the financial year ending 30 June 2017. The 2017 Annual Report of the Company (containing the remuneration report) is available on the Company's website at www.managedaccounts.com.au.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions about, or make comments on, the remuneration report.

If at least 25% of the votes cast are against the adoption of the remuneration report at this Annual General Meeting, and then again at the following annual general meeting, the Company will be required to put a resolution to the later annual general meeting to approve calling a further general meeting (**spill resolution**). If 50% or more of eligible votes cast are in favour of the spill resolution, the Company must convene a general meeting (**spill meeting**) within 90 days of the later annual general meeting. All of the directors who were in office when the directors' report considered at the later annual general meeting was approved, will need to stand for re-election at the spill meeting.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – DONALD SHARP

In general terms, clause 12.11(a) of the Company's constitution requires one-third of the directors to retire from office at the Company's Annual General Meeting.

The retiring director, Donald Sharp, is eligible for re-election and accordingly submits himself for re-election as a director of the Company.

Mr Sharp was appointed to the Board in June 2013.

Donald Sharp (BBus, CPA, FAICD) is a qualified accountant and a highly experienced, innovative and respected business builder and leader in the financial services sector.

He co-founded Bridges Financial Services Pty Ltd, an industry leader in financial services well known for establishing one of the first platform solutions for portfolio management in Australia, The Portfolio Service (TPS).

Mr Sharp is currently the Executive Chairman of ASX listed Integrated Payment Technologies Limited.

He is also a former Chairman of Investors Mutual, Global Value Investors, and previously ASX listed Premium Investors Limited and a former director of Registry Direct Limited, ASX listed Countplus Limited and Treasury Group Ltd.

The Board does not consider Mr Sharp to be an independent director as he is an executive of the Company and is a substantial shareholder of the Company.

Recommendation

The directors support the re-election of Mr Sharp. They (other than Mr Sharp) recommend that shareholders vote in favour of Resolution 2.

RESOLUTION 3 – RE-ELECTION OF DIRECTOR – PETER BROOK

ASX Listing Rule 14.4 and clause 12.7(b) of the Company's constitution require that any director appointed as an addition to the Board holds office only until the next annual general meeting of the Company and is eligible for re-election at that meeting.

The Board appointed Peter Brook as an addition to the Board on 12 April 2017. Accordingly, Mr Brook retires pursuant to ASX Listing Rule 14.4 and clause 12.7(b) of the Company's constitution and, being eligible, offers himself for re-election.

Mr Brook is a former Managing Director and Chief Executive of NSW government owned superannuation administrator Pillar (Superannuation Administration Corporation Ltd).

Mr Brook's 40 year career also includes executive roles at StatePlus, Alinta Energy, Challenger Financial Services Group, MLC and Grant Thornton.

Mr Brook has a bachelor of commerce degree from the University of New South Wales and a Masters of Management from the Macquarie Graduate School of Management. He also is a Graduate of AIST Trustee Directors, a Graduate of the Institute of Company Directors and Associate of the Institute of Chartered Accountants.

The Board considers Mr Brook to be an independent director.

Recommendation

The directors support the re-election of Mr Brook. They (other than Mr Brook) recommend that shareholders vote in favour of Resolution 3.

RESOLUTION 4 – APPROVAL OF EXECUTIVE SHARE OPTION PLAN

ASX Listing Rule 7.1 effectively limits the number of equity securities the Company may issue without the approval of its shareholders to 15% of issued capital unless the issue can be brought within one of the exceptions set out in ASX Listing Rule 7.2. ASX Listing Rule 7.2 Exception 9(b) permits issues under an employee incentive scheme if within three years before the date of issue the scheme has been approved by shareholders.

The Managed Accounts Holdings Limited Executive Share Option Plan (**Executive Plan**) is governed by the Plan rules (**Executive Plan Rules**). Offers under the Executive Plan will be made only to persons who are 'senior managers' within the meaning of the Corporations Act. As such, offers will not be made under the Executive Plan in reliance on ASIC Class Order [CO 14/1000] and are not subject to or included within the 5% limit set out in that Class Order.

In addition to the Executive Plan, the Company has an Employee Share Option Plan which was prepared to comply with ASIC Class Order [CO 14/1000]. The Employee Share Option Plan was approved by

shareholders under ASX Listing Rule 7.2 Exception 9(b) at the Company's annual general meeting on 24 November 2016.

Set out below is a summary of the Executive Plan Rules.

It is intended that the Executive Plan will enable the MGP group (**Group**) to retain and attract skilled and experienced senior employees, contractors and officers and provide them with the motivation to make the Group more successful.

Under the Executive Plan, an option is a right to subscribe for or acquire a fully paid ordinary share in the capital of the Company (**Share**), subject to any adjustment required under the Executive Plan Rules.

Persons eligible to participate in the Executive Plan include an employee, contractor or officer of any member of the Group who is a senior manager of the Group for the purposes of section 708(12) of the Corporations Act and determined by the Board to be an eligible person for the purposes of the Executive Plan.

The Board at its sole discretion may invite any eligible person selected by it to complete an application relating to a specified number of options allocated to that eligible person by the Board. The Board may offer options to any eligible person it determines and determine the extent of that person's participation in the Executive Plan (**Participant**). An offer by the Board shall specify the date of grant, the total number of options granted, exercise price and exercise period for the options and any other matters the Board determines, including exercise conditions attaching to the options.

Unless otherwise determined by the Board, no payment is required for the grant of options under the Executive Plan.

Options granted under the Executive Plan are not capable of being transferred or encumbered by a Participant, unless the Board determines otherwise.

Options do not carry any voting or dividend rights. Shares issued or transferred to Participants on exercise of an option carry the same rights and entitlements as other issued Shares, including dividend and voting rights.

The Company has no obligation to apply for quotation of the options on the ASX.

In general terms, options granted under the Executive Plan may only be exercised if the exercise conditions have been met, the exercise price has been paid to the Company and the options are exercised within the exercise period relating to the option. An option granted under the Executive Plan may not be exercised once it has lapsed.

An option may be exercised, whether or not any or all applicable exercise conditions have been met, on the occurrence of a predominant control event, being, in general terms, where a person owns at least 90% of the issued ordinary share capital of the Company following an offer by the person for the whole of the issued share capital of the Company.

The Company will apply to ASX for official quotation of Shares issued upon exercise of options granted under the Executive Plan so long as the Shares are quoted on the official list of ASX at that time.

The Company may financially assist a person to pay any exercise price for an option, subject to compliance with the provisions of the Corporations Act and the ASX Listing Rules relating to financial assistance.

If a Participant ceases to be a director, an employee or a contractor of any member of the Group due to his or her resignation, dismissal for cause or poor performance or in any other circumstances determined by the Board:

- (i) all options held by the relevant Participant as at the date of cessation which are vested options will automatically lapse on the date of cessation, unless the Board determines otherwise, in which event the Board will determine the period within which those options may be exercised following

the date of cessation (and the exercise period is amended accordingly), after which those options will immediately lapse; and

- (ii) all other options granted to that Participant will lapse as at the date of cessation, unless the Board determines otherwise.

If a Participant ceases to be a director, an employee or a contractor of any member of the Group for any other reason or in any other circumstances determined by the Board:

- (i) all options held by the relevant Participant as at the date of cessation which are vested options may be exercised by that Participant in the 6 month period following the date of cessation (and the exercise period is amended accordingly), after which those vested options will immediately lapse; and
- (ii) all other options granted to that Participant will lapse as at the date of cessation, unless the Board determines otherwise.

On liquidation of the Company, all options which are not vested options will automatically lapse.

If, in the opinion of the Board, a Participant has acted fraudulently or dishonestly, the Board may determine that any option granted to that Participant should lapse, and the option will lapse accordingly.

If an option has not lapsed earlier, it will lapse at the end of the exercise period.

In the event of any reconstruction of the share capital of the Company, the number of options to which each Participant is entitled and/or the exercise price of those options must be reconstructed in accordance with the ASX Listing Rules. Options must be reconstructed in a manner which will not result in any additional benefits being conferred on Participants which are not conferred on other shareholders of the Company.

Holders of options issued under the Executive Plan may only participate in new issues of securities by the Company if they have first exercised their options within the relevant exercise period and become a shareholder of the Company prior to the relevant record date and are then only entitled to participate in relation to Shares of which they are the registered holder.

If there is a pro rata issue (except a bonus issue), the exercise price of an option will be reduced according to the formula in the Executive Plan Rules which reflects the formula in ASX Listing Rule 6.22.2.

If there is a bonus issue the number of Shares over which an option can be exercised will be increased by the number of Shares which the holder would have received if the option had been exercised before the record date for the bonus issue.

Options may not be granted and/or Shares may not be allotted and issued, acquired, transferred or otherwise dealt with under the Executive Plan if to do so would contravene the Corporations Act or any other applicable laws or regulations.

If and to the extent any rule of the Executive Plan is inconsistent with the ASX Listing Rules, if the ASX Listing Rules apply to the Company at the relevant time, the ASX Listing Rules will prevail in all respects to the extent of the inconsistency.

The Board may terminate or suspend the operation of the Executive Plan at any time. In passing a resolution to terminate or suspend the operation of the Executive Plan or to supplement or amend these rules, the Board must consider and endeavour to ensure that there is fair and equitable treatment of all Participants.

On termination of the Executive Plan, no compensation under any contract of employment, consultancy or directorship between an eligible person and a member of the Group will arise as a result.

The Executive Plan Rules also contain customary and usual terms having regard to Australian law for dealing with administration and costs of the Executive Plan.

If Resolution 4 is passed at the Annual General Meeting, the directors may issue securities under the Executive Plan under ASX Listing Rule 7.2 Exception 9(b) until 11 October 2020. This is the first time the Company has sought approval from shareholders under ASX Listing Rule 7.2 Exception 9(b) in relation to the Executive Plan.

Voting restrictions in respect of this Resolution are set out in the Notice of Annual General Meeting, which this Explanatory Statement accompanies.

Recommendation

The directors recommend that shareholders vote in favour of Resolution 4.

RESOLUTION 5 – ASX LISTING RULE APPROVAL FOR ACCELERATION OF VESTING OF EMPLOYEE OPTIONS

On 27 November 2015, the Company granted options to certain eligible employees and contractors under its Employee Share Option Plan (**Employee Plan**) on the following terms, but subject to the Employee Plan rules:

- (a) each option gives the right to subscribe for or acquire one ordinary share in the Company;
- (b) nil consideration payable for the option grant;
- (c) exercise price is \$0.22 per option;
- (d) for each employee/contractor, options vest in 3 separate tranches on 31 July 2016 (**Tranche 1 Options**), 31 July 2017 (**Tranche 2 Options**) and 31 July 2018 (**Tranche 3 Options**) but subject to the satisfaction of specific exercise conditions associated with the performance of the relevant employee/contractor;
- (e) exercise period ends 4 years after the date of grant of the options (being 27 November 2019); and
- (f) the options are not quoted on ASX.

In connection with a proposed outsourcing of certain technology development services, the Company intends to make 4 existing IT development staff members (**Specified Employees**) redundant at a date no earlier than 29 September 2017. The Company wishes to accelerate the vesting of some or all of the Tranche 3 Options held by the Specified Employees (being in aggregate 355,000 options) (**Relevant Options**) so that vesting can occur prior to the cessation of employment of the Specified Employees (which date will be before the current 31 July 2018 vesting date for the Tranche 3 Options). Under the terms of the Employee Plan, the Specified Employees will then have a 6 month period following cessation of employment in which to exercise the Relevant Options, after which they will lapse if not exercised. The Specified Employees are not related parties of the Company.

ASX Listing Rule 6.23.3 stipulates that changes to options which have the effect of reducing the exercise price, increasing the exercise period or increasing the number of securities received on exercise are prohibited. The proposal to accelerate the vesting of the Relevant Options is an increase in the period for exercise of these options which is prohibited under ASX Listing Rule 6.23.3.

The Company has applied to ASX for and been granted a waiver from ASX Listing Rule 6.23.3 to enable it to put Resolution 5 for the acceleration of vesting of the Relevant Options to shareholders for approval under ASX Listing Rule 6.23.

Recommendation

The directors recommend that shareholders vote in favour of Resolution 5.

RESOLUTION 6 – APPROVAL OF TERMINATION BENEFITS

Background

Under section 200B of the Corporations Act, the Company must not give a person a benefit in connection with a person's retirement from an office, or position of employment, in the Company or its related bodies corporate (**Group Company**) if:

- (a) the office or position is a managerial or executive office; or
- (b) the person has, at any time during the last three years before their retirement, held a managerial or executive office in a Group Company,

unless shareholder approval is obtained under section 200E of the Corporations Act for the giving of the benefit (or if a specified exception applies).

A "benefit" is defined broadly in the Corporations Act to include a payment or other valuable consideration. It also includes the accelerated or automatic vesting of share-based payments on or as a result of retirement from an office or position.

Having regard to the potentially wide application of the restriction under section 200B of the Corporations Act, the Board considers it to be appropriate and prudent to seek shareholder approval under sections 200B and 200E of the Corporations Act, so that termination benefits may be provided to relevant executives under the Company's Employee Share Option Plan and Executive Share Option Plan (**Option Plans**) without breach of the Corporations Act.

Who does the approval relate to?

Approval is being sought in respect of any current or future person who, at the time of his or her cessation from his or her office or employment, or at any time during the last three years before his or her cessation from his or her office or employment, held a managerial or executive office in a Group Company (**Relevant Executives**). This includes members of the Company's key management personnel.

The approval is also being specifically sought in relation to the acceleration of 115,000 Tranche 3 Options held by one of the Specified Employees who is a member of the Company's key management personnel (**Specified KMP**) (as described above in the explanatory material for Resolution 5).

What is the Company seeking approval for?

Shareholder approval is sought for the purposes of sections 200B and 200E of the Corporations Act for termination benefits given under the Option Plans to the Relevant Executives in connection with their cessation of employment with a Group Company. The potential termination benefits will relate to the treatment of options granted under the Option Plans including the lapsing and vesting of options and the timing of lapsing and vesting of options of Relevant Executives who cease their office or employment with a Group Company. As mentioned above, the approval also specifically relates to the proposed acceleration of the vesting of the Tranche 3 Options held by the Specified KMP.

What is the value of the potential termination benefits?

Under section 200E of the Corporations Act, when seeking shareholder approval of a termination benefit, shareholders must be given details of the amount or value of the proposed payment or benefit, or if that amount or value cannot be ascertained at the time of disclosure, the manner in which that amount or value is to be calculated and any matter, event or circumstance that will, or is likely to, affect the calculation of that amount or value.

In relation to the proposed acceleration of the Tranche 3 Options of the Specified KMP, the Board considers that, as at the date of the grant of the termination benefit, the value of the acceleration of each of the 115,000 Tranche 3 Options is the difference between the exercise price (\$0.22) and the market price of an ordinary share in the Company as at the date of the acceleration of the options.

The value of potential termination benefits cannot be ascertained in advance, as the benefits are dependent on a number of matters which will likely affect calculation of the value. The following are matters, events and circumstances which will, or are likely to, affect the calculation of the amount or value of the potential termination benefits that may be given under the Option Plans:

- (a) the circumstances of the Relevant Executive's cessation of employment (for example, whether the cessation of employment arises due to termination by the Group Company or the Relevant Executive, and for what reason);
- (b) the number of options held by the Relevant Executive at the time of cessation of employment;
- (c) any applicable performance or exercise conditions and the achievement of such conditions;
- (d) if any performance conditions are applicable, the personal performance of the Relevant Executive;
- (e) the portion of the performance period served by the Relevant Executive up to the cessation of employment;
- (f) the market price of the Company's shares on the Australian Securities Exchange at the relevant time;
- (g) the exercise price of the Relevant Executive's options; and
- (h) any other factors that the Board considers to be relevant.

The value of potential termination benefits that may be given to Relevant Executives under the Option Plans will be calculated considering these factors.

Approval is sought for a three year period

If approval of Resolution 6 is obtained, it will be effective from the date of this meeting until the conclusion of the Company's 2020 Annual General Meeting. This means that the approval will apply in respect of any termination of a Relevant Executive during that period.

Shareholder approval under this Resolution 6 does not relieve a director of the Company of any of his director's duties to the Company. In addition, approval under this Resolution 6 does not relieve the Company of any obligation to comply with the requirements of the ASX Listing Rules in relation to any proposed change to the terms of options.

Recommendation

The directors recommend that shareholders vote in favour of Resolution 6.

RESOLUTION 7 – RATIFICATION OF PRIOR GRANT OF EMPLOYEE OPTIONS PURSUANT TO ASX LISTING RULE 7.1

The Company has used its capacity under ASX Listing Rule 7.1 to grant 6,000,000 options to senior managers of the Company (being 3,000,000 options to the Company's Chief Executive Officer (David Heather) and 3,000,000 options to the Head of Distribution and Marketing (Tony Nejasmic)) under the Company's Executive Share Option Plan (**Executive Plan**) on the following terms, subject to the Executive Plan rules:

- (a) each option gives the right to subscribe for or acquire one ordinary share in the Company;
- (b) nil consideration was payable for the option grant;
- (c) exercise price is \$0.35 per option;

- (d) options vest in 3 separate tranches on 31 July 2018, 31 July 2019 and 31 July 2020 but subject to the satisfaction of specific exercise conditions associated with the performance of the relevant employee; and
- (e) exercise period ends 4 years after the date of grant of the options.

Other terms of the options granted are in the summary of the Executive Plan in this Explanatory Statement under Resolution 4 above.

Under ASX Listing Rule 7.4, shareholders may approve the issue of equity securities made within the limitation of ASX Listing Rule 7.1. Shareholder ratification of the option grants is now sought pursuant to ASX Listing Rule 7.4 to reinstate the Company's capacity to issue up to 15% of its ordinary issued capital, if required, in the next 12 months without shareholder approval.

ASX Listing Rule 7.5 requires the following information to be provided to shareholders:

- (a) the aggregate number of granted options covered by this Resolution 7 is 6,000,000 options;
- (b) the price and terms of the options are summarised above;
- (c) no consideration was payable for the grant of options so the Company does not have an intended use of funds raised; and
- (d) Resolution 7 is subject to a voting exclusion statement (see the Notice of Annual General Meeting).

Recommendation

The directors recommend that shareholders vote in favour of Resolution 7.

RESOLUTION 8 – NON-EXECUTIVE DIRECTORS' REMUNERATION

It is proposed to increase the maximum aggregate amount of directors' fees that may be paid to non-executive directors of the Company by \$60,000 per annum, from \$180,000 per annum to \$240,000 per annum (including superannuation).

The Board's remuneration policy for non-executive directors aims to ensure that the Company can attract and retain suitably skilled, experienced and committed individuals to serve on the Board.

Shareholder approval of this proposal is sought under clause 13.1 of the Company's constitution and under ASX Listing Rule 10.17. For the purpose of this Resolution 8, the meaning of 'Directors' fees' is provided in ASX Listing Rule 10.17.

For the purposes of ASX Listing Rule 10.17, no securities have been issued to non-executive directors at any time over the last three years under ASX Listing Rule 10.11 or ASX Listing Rule 10.14.

This Resolution 8 is subject to a voting exclusion statement (see the Notice of Annual General Meeting).

Name and Address

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction on the form.

Please note, you cannot change ownership of your securities using this form.

YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE YOUR PROXY MUST BE RECEIVED BEFORE 11:00am (Sydney time) on Tuesday 10 October 2017

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered security holder in the space.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" in accordance with the constitution of Managed Accounts Holdings Limited. An Appointment of Corporate Representative form can be obtained from this company's securities registry.

Appointment of a Second Proxy

If you are entitled to cast two or more votes, you may appoint up to two proxies. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together in the same envelope.

STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

To direct your proxy how to vote, place a mark in one of the boxes opposite each item of business. If you do not wish all your securities to be voted in accordance with such a direction please indicate that only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

STEP 3 Sign the Form

The form **must** be signed as follows:

Individual: this form is to be signed by the security holder.

Joint Holding: where the holding is in more than one name, all the security holders must sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the securities registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 Lodgement of a Proxy

This Proxy Form (together with any authority under which the appointment was signed or a certified copy of the authority, where the appointment is signed by the appointor's attorney) must be received as set out below not later than **11:00am (Sydney time) on Tuesday 10 October 2017** (being 48 hours before the commencement of the meeting at 11:00am on Thursday 12 October 2017). Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxies may be lodged:

ON-LINE Log in to www.registrydirect.com.au/investor. To use the online lodgement facility, shareholders will need their 'Holder Identifier' (Securityholder Reference Number (SRN) or Holder Identification Number (HIN))

BY MAIL Registry Direct
PO Box 18366
Collins Street East Melbourne VIC 8003

BY FAX +61 3 9111 5652

IN PERSON Registry Direct
Level 6, 2 Russell Street
Melbourne VIC 3000

Managed Accounts Holdings Limited

<Address 1>
<Address 2>
<Address 3>
<Address 4>
<Address 5>
<Address 6>

SRN/HIN: X*****

STEP 1 - Appointment of Proxy

I/We being a member/s of **Managed Accounts Holdings Limited** and entitled to attend and vote hereby appoint

<input type="checkbox"/>	the Chairman of the Meeting (mark with an 'X')	OR	<input type="text"/>
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If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered security holder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the **Annual General Meeting of Managed Accounts Holdings Limited to be held at the offices of Grant Thornton Australia at Level 17, 383 Kent Street, Sydney, New South Wales 2000 on Thursday 12 October 2017 at 11:00am (Sydney time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Important for Resolutions 1, 4, 5, 7 and 8

If you appoint the Chairman of the Meeting as your proxy or he is appointed as your proxy by default, by not marking any of the below "For", "Against" or "Abstain" boxes you will have expressly authorised the Chairman of the Meeting to exercise the proxy for Resolutions 1, 4, 5, 7 and 8 even though these items are connected directly or indirectly with the remuneration of a member of the key management personnel.

Note: If you do not wish to give the Chairman of the Meeting such an authorisation, you should instruct the Chairman to vote "Against" or "Abstain" these Resolutions in Step 2 below.

The Chairman of the Meeting will vote all undirected proxies in favour of all Resolutions (except for Resolution 6). In respect of Resolution 6 only, the Chairman is not entitled to exercise undirected proxies under the Corporations Act. If you wish the Chairman to exercise your proxy in relation to Resolution 6, please direct the Chairman how to vote.

STEP 2 - Voting directions to your Proxy – please mark ☒ to indicate your directions

Ordinary Business		For	Against	Abstain*
Resolution 1	Adopt the Remuneration Report for year end 30 June 2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of director – Donald Sharp	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of director – Peter Brook	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Business				
Resolution 4	Approval of Executive Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	ASX listing rule approval for acceleration of vesting of employee options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of termination benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of grant of employee options pursuant to ASX listing rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Non-executive directors' remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

As stated above, subject to the requirements of the Corporations Act in relation to Resolution 6, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the Resolutions. The statements in this Proxy Form regarding the intentions of the Chairman of the Meeting to vote undirected proxies are the intentions of the Chairman as at the date of the Notice of Annual General Meeting. In exceptional circumstances, the Chairman's intentions may change. The Company will make an announcement to the ASX in the event of such a change of intentions.

STEP 3 - PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name Contact Daytime Telephone Date / / 2017