



28 October 2021

The Manager – Listings  
Australian Securities Exchange Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

### **2021 AGM Notice of Meeting and Proxy**

COG Financial Services Limited (COG) attaches the following documents in relation to the FY2021 Annual General Meeting:

- AGM Notice of Meeting, including Virtual Meeting Registration and Voting Guide; and
- Proxy Form.

*Announcement authorised by: Andrew Bennett, Chief Executive Officer*

For further information please contact:

Andrew Bennett  
Chief Executive Officer  
M 0405 380 241

### **COG Financial Services Limited (COG) has two complementary businesses:**

1. Finance Broking and Aggregation (FB&A). Through its membership group of independent and equity owned brokers (brokers in which COG has invested), COG is Australia's largest asset finance group, representing over \$5.2 billion per annum of Net Asset Finance (NAF). Further growth is being achieved through organic growth in equipment finance and insurance broking and through equity investment in brokers.
2. Lending. Through broker distribution, COG provides equipment finance to SMEs, and real property loans via its subsidiary Westlawn Finance Limited.

In both businesses COG's market share is small relative to the size of the markets in which it operates, and there are significant growth opportunities through consolidation and organic growth.

**COG Financial Services  
Limited**

Level 5, 126 Phillip Street,  
Sydney NSW 2000  
ACN: 100 854 788

[www.coglimited.com.au](http://www.coglimited.com.au)



# COG FINANCIAL SERVICES LIMITED

## **Notice of 2021 Annual General Meeting**

Explanatory Statement | Proxy Form

Monday, 29 November 2021

**9:30AM AEDT** as a **virtual meeting**.

**Given the significant health concerns attributed to the COVID-19 pandemic and restrictions issued by Australian state and federal governments, the Company strongly encourages that you attend the Meeting virtually.**

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

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## Important Information for Shareholders about the Company's 2021 AGM

Given the uncertainty surrounding the COVID-19 pandemic, by the time this Notice is received by Shareholders, circumstances may have changed, however, this Notice is given based on circumstances as at 21 October 2021.

Accordingly, should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at <https://cogfs.com.au/>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Given the significant health concerns attributed to the COVID-19 pandemic, in addition to guidelines and restrictions issued by Australian state and federal governments, the Company considers that it is appropriate to hold the 2021 AGM as a **virtual meeting**, in a meeting, in a manner that is consistent with the Treasury Laws Amendment (2021 Measures No. 1) Bill 2021.

## Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 9:30AM AEDT on Monday, 29 November 2021 as a **virtual meeting**.

The company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic.

Shareholders that have an existing account with Automic will be able to watch, listen, and vote online.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance of the Meeting** to avoid any delays on the day of the Meeting. An account can be created via the following link [investor.automic.com.au](https://investor.automic.com.au) and then clicking on "**register**" and following the prompts. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

To access the virtual meeting on the day:

1. Open your internet browser and go to [investor.automic.com.au](https://investor.automic.com.au)
2. Login with your username and password or click "**register**" if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting.**
3. After logging in, a banner will display at the bottom of your screen to indicate that the meeting is open for registration, click on "**Register**" when this appears. Alternatively, click on "**Meetings**" on the left-hand menu bar to access registration.

4. Click on “**Register**” and follow the steps
5. Click on the URL to join the webcast where you can view and listen to the virtual meeting. Note that the webcast will open in a separate window.

Shareholders will be able to vote (see the “Voting virtually at the Meeting” section of this Notice of Meeting below) and ask questions at the virtual meeting.

Shareholders are also encouraged to submit questions in advance of the Meeting to the Company.

Questions must be submitted in writing to the Company Secretary at [david.franks@automicgroup.com.au](mailto:david.franks@automicgroup.com.au) at least 48 hours before the AGM.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

## Your vote is important

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

## Voting virtually at the Meeting

Shareholders who wish to vote virtually on the day of the AGM will need to login to the Automic website (<https://investor.automic.com.au/#/home>) with their *username* and *password*.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance of the Meeting** to avoid any delays on the day of the Meeting.

### ***How do I create an account with Automic?***

To create an account with Automic, please go to the Automic website

(<https://investor.automic.com.au/#/home>), click on ‘register’ and follow the steps. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

### ***I have an account with Automic, what are the next steps?***

Shareholders who have an existing account with Automic (Note: with a *username* and *password*) are advised to take the following steps to attend and vote virtually on the day of the AGM:

1. Login to the Automic website (<https://investor.automic.com.au/#/home>) using your *username* and *password*.
2. **(Registration on the day)** If registration for the virtual meeting is open, click on ‘Meeting open for registration’ and follow the steps.
3. **(Live voting on the day)** If live voting for the virtual meeting is open, click on ‘Meeting open for voting’ and follow the steps.

For further information on the live voting process please see the **Registration and Voting Guide** at <https://www.automicgroup.com.au/virtual-agms/>

## Voting by proxy

To vote by proxy, please use one of the following methods:

<b>Online</b>	Lodge the Proxy Form online at <a href="https://investor.automic.com.au/#/loginsah">https://investor.automic.com.au/#/loginsah</a> by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.  For further information on the online proxy lodgement process please see the <b>Online Proxy Lodgement Guide</b> at <a href="https://www.automicgroup.com.au/virtual-agms/">https://www.automicgroup.com.au/virtual-agms/</a>
<b>By post</b>	Automic, GPO Box 5193, Sydney NSW 2001
<b>By hand</b>	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**

### Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

### Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should provide the Share Registry with adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

### Technical difficulties

Technical difficulties may arise during the course of the Annual General Meeting. The Chair has discretion as to whether and how the Meeting should proceed in the event that a technical difficulty arises. In exercising his discretion, the Chair will have regard to the number of Shareholders impacted and the extent to which participation in the business of the Meeting is affected. Where he considers it appropriate, the Chair may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, Shareholders are encouraged to lodge a proxy not later than 48 hours before the commencement of the Meeting.

# Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of COG Financial Services Limited ACN 100 854 788 will be held at held at 9:30AM AEDT on Monday, 29 November 2021 as a **virtual meeting**.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of 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 at 7:00pm AEDT on Saturday, 27 November 2021.

In accordance with clause 5.7(b) of the Company's Constitution, the Chair intends to call a poll on each of the resolutions proposed at the AGM. Each resolution considered at the AGM will therefore be conducted by a poll, rather than on a show of hands. The Chair considers voting by poll to be in the interests of the shareholders as a whole and is a way to ensure the views of as many shareholders as possible are represented at the meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

## Agenda

### Ordinary business

#### Financial statements and reports

*"To receive and to consider the Annual Financial Report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report for that financial year."*

**Note:** This item of ordinary business is **for discussion only and is not a resolution**.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

## Resolutions

### **Remuneration Report**

#### 1. **Resolution 1 – Adoption of Remuneration Report**

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

*"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2021."*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company.

**Voting Exclusion Statement:** In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company's key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**), or any of that person's Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as Restricted Voter). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote "against", or to abstain from voting on, this Resolution.

## **Re-election of Directors**

### **2. Resolution 2 – Re-election of Mr Stephen White as Director**

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

*"That Mr Stephen White, a Director who retires by rotation in accordance with the Company's Constitution and ASX Listing Rule 14.4 and 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately."*

### **3. Resolution 3 – Re-election of Mr Cameron McCullagh as Director**

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

*"That Mr Cameron McCullagh, a Director who retires by rotation in accordance with the Company's Constitution and ASX Listing Rule 14.4 and 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately."*

## **ASX Listing Rule 7.1A (Additional 10% Capacity)**

### **4. Resolution 4 – ASX Listing Rule 7.1A Approval of Future Issue of Securities**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

*"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person or those election persons.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Ratification of Prior Issue of Equity Securities**

### **5. Resolution 5 – Ratification of Prior Issue of Placement Shares**

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 for all other purposes, the Shareholders ratify the allotment and prior issue of 4,698,274 fully paid ordinary shares issued on 2 June 2021 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 5 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:



- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 6. **Resolution 6 – Ratification of Prior Issue of Placement Shares**

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 for all other purposes, the Shareholders ratify the allotment and prior issue of 11,874,994 fully paid ordinary shares issued on 21 October 2021 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- a person who participated in the issue or is a counterparty to the agreement being approved; or
- an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 6 by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Issue of Fully Paid Ordinary Shares to a Related Party**

### 7. **Resolution 7 – Approval of Issue of Placement Shares to Associates of a Related Party, Mr Cameron McCullagh, Director**

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

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve the issue and allotment of up to 2,620,814 shares to GEGM Investments Pty Limited, up to 190,082 shares to C-Flag Pty Ltd and up to 128,925 shares to Kai Lani Mackerel Pty Ltd <The McCullagh Super Fund A/C>, associates of a Related Party, Mr Cameron McCullagh (Director) and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (a) a person who is to receive securities in relation to the entity;
- (b) a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed; and
- (c) an Associate of any person described in (a) or (b).

However, the Company will not disregard a vote if:

- (i) 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
- (ii) it is cast by the Chair 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.

## **Giving of Financial Assistance**

### **8. Resolution 8 – Giving of Financial Assistance**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **Special Resolution**:

*"That, for the purposes of section 260B(2) of the Corporations Act and for all other purposes, the Company in general meeting approves the giving of financial assistance by the Company to Ascot Rise Broking Pty Ltd (ACN 637 027 224) (ARBPL), an associate of Mr Cameron Bott, an employee of Westlawn Insurance Brokers Pty Ltd (ACN 075 847 291) (WIBPL), a controlled subsidiary of the Company, to assist with the acquisition by ARBPL of 20% of the issued shares in the capital of WIBPL (Acquisition), and all elements of that transaction and any other transactions which may constitute financial assistance by the Company for the purposes of section 260A of the Corporations Act in connection with the Acquisition, in the manner and on the terms set out in the Explanatory Statement accompanying the Notice."*

**BY ORDER OF THE BOARD**



David Franks  
Company Secretary  
21 October 2021

# Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 9:30AM (AEDT) on Monday, 29 November 2021 as a **virtual meeting**.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

## Agenda

### **Ordinary business**

#### Financial statements and reports

In accordance with the Constitution and the Corporations Act, 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 2021 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at <https://cogfs.com.au/annual-report/>.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

#### **Written questions of the auditor**

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, which is by Monday, 22 November 2021.

# Resolutions

## **Remuneration Report**

### **Resolution 1 – Adoption of Remuneration Report**

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <https://cogfs.com.au/annual-report/>.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2022 Annual General Meeting (**2022 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2022 AGM to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2022 AGM. All of the Directors who were in office when the 2022 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

#### **Voting**

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed the Chair to vote in accordance with the Chair's stated intention to vote in favour of Resolution 1.

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

## **Re-election of Directors**

### **Resolution 2 – Re-election of Mr Stephen White as Director**

Rule 6.7(b) of the Company's Constitution requires that at every general meeting, one third of the Directors, or if their number is not a multiple of 3 then the number nearest to one third (rounded up to the nearest whole number) must retire from office and be eligible for re-election. Rule 6.7(d) of the Company's Constitution provides that a director must not hold office without re-election past the third annual general meeting following the Director's appointment, or three years, whichever is the longer.

ASX Listing Rule 14.4 also provides that each Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer. ASX Listing Rule 14.5 also provides that an entity which has Directors must hold an election of Directors at each annual general meeting.

Mr Stephen White was appointed as a Director of the Company on 21 September 2010 and was last re-elected as a Director at the 2019 AGM.

Under this Resolution, Mr White has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Mr White has had over 30 years of experience in Investment Banking, including roles with Barclays Capital Singapore, Rothschild and HSBC Japan in their treasury divisions. For 10 years he held a position as a Principal of a boutique risk advisory firm which concentrated on assisting C-suite executives to manage significant financial market risks. This experience is combined with significant Corporate Governance experience including as a Responsible Manager for a Wholesale Australian Financial Services Licence for 10 years. Mr White continues to be engaged in providing advice and assistance to businesses across a number of industries. Mr White is a Graduate Member of the Australian Institute of Company Directors and has a Master of Management from MGSM.

Mr White is:

- a member of the Nomination and Remuneration Committee and the Audit and Risk Committee; and
- considered by the Board to be independent.

#### **Directors' recommendation**

The Directors (excluding Mr White) recommend that Shareholders vote for this Resolution.

The Chair intends to vote in favour of this resolution.

### **Resolution 3 – Re-election of Mr Cameron McCullagh as Director**

Rule 6.7(b) of the Company's Constitution requires that at every general meeting, one third of the Directors, or if their number is not a multiple of 3 then the number nearest to one third (rounded up to the nearest whole number) must retire from office and be eligible for re-election. Rule 6.7(d) of the Company's Constitution provides that a director must not hold office without re-election past the third annual general meeting following the Director's appointment, or three years, whichever is the longer.

ASX Listing Rule 14.4 also provides that each Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer. ASX Listing Rule 14.5 also provides that an entity which has Directors must hold an election of Directors at each annual general meeting.

Mr Cameron McCullagh was appointed as a Director of the Company on 5 October 2015 and was last re-elected as a Director at the 2019 AGM.

Under this Resolution, Mr McCullagh has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Mr McCullagh has over 40 years' experience in the finance sector, having trained as a Chartered Accountant at KPMG. Mr McCullagh was a partner at Moore Stephens Sydney and founded and grew White Outsourcing to an entity with back office administration of over \$30 billion. Mr McCullagh was CEO of Employers Mutual until 2010, having grown it from \$30 million of annual premium under management to over \$1 billion. As COO, Mr McCullagh took operational responsibility for the successful listing on the ASX of the insurance broking accumulator Steadfast Group. Mr McCullagh is Chairman of AS White Global Pty Limited, which has over 1,000 employees in Australia and Asia providing offshore teams to Australian businesses.

Mr McCullagh is not considered by the Board to be independent, being a substantial shareholder in the Company.

## Directors' recommendation

The Directors (excluding Mr McCullagh) recommend that Shareholders vote for this Resolution.  
The Chair intends to vote in favour of this resolution.

## ASX Listing Rule 7.1A

### Resolution 4 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to add an additional 10% capacity.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

As at the close of business on 21 October 2021, the Company has a market capitalisation of approximately \$240.6 million and therefore is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

This Resolution seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

The capital structure of the Company as at 21 October 2021 is:

<b>Security Class (Listed)</b>	<b>Number on issue</b>
Listed Ordinary Shares	178,221,194
<b>Security Class (Unlisted)</b>	<b>Number on issue</b>
Unlisted Options – Long Term Incentive of Mr Andrew Bennett at an exercise price of \$0.48863 per option, expiring at the earlier of 3 months after cessation of employment of Mr Andrew Bennett and 30 June 2023	418,410

### Information Required by ASX Listing Rule 7.3A

The following information is provided to Shareholder for the purposes of Listing Rule 7.3A.

#### Period for which the approval will be valid

An approval under this Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) the date which is 12 months after the date of the annual general meeting at which the approval is obtained;
- (b) the time and date of the entity's next annual general meeting; and
- (c) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Minimum price at which the equity securities may be issued under Listing Rule 7.1A

Any equity securities issued under Listing Rule 7.1A.2 must be an existing quoted class of the Company's equity securities and issued for cash consideration.

The issue price per equity security must not be less than 75% of the volume weighted average market price of the equity securities in that class, calculated over 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at the equity securities are to be issued is agreed by the Company and the recipient of the equity securities; and
- (b) if the equity securities are not issued within 10 trading days of the date in paragraph (a), the date on which the equity securities are issued.

Purposes for which the funds raised by an issue of equity securities under Listing Rule 7.1A may be used

As noted above, any equity securities issued under Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of equity securities under Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue.

As at the date of this Notice, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A during the Listing Rule 7.1A mandate period, if Shareholders approve this Resolution. However, if Shareholders approved this Resolution and the Company did raise funds from the issue of equity securities under Listing Rule 7.1A, based on the Company's existing plans, the Company considers that the funds may be used for the following purposes:

- (a) to further develop the Company's business;
- (b) to fund any of its products under the Company's Commercial Equipment Leasing Segment (CEL) such as it leasing products and chattel mortgage products;
- (c) to acquire assets including acquisition (full or part) of equity holdings in Share Purchase Acquisitions, either in current part owned holdings or new acquisitions; and
- (d) for general corporate purposes, including working capital requirements.

Risk of economic and voting dilution to existing ordinary Securityholders

If this Resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount (as described above) to the market price for the Company's equity securities on the issue date;

which may have an effect on the amount of funds raised by the issue of equity securities under Listing Rule 7.1A.

The table below shows the potential dilution of existing Securityholders on the basis of 3 different assumed issue prices and values for the variable "A" in the formula in rule 7.1A.2:

Variable "A" ASX Listing Rule 7.1A.2		Potential Dilution and Funds Raised		
		\$0.675 50% decrease in issue price	\$1.35 issue prices <sup>(b)</sup>	\$2.70 100% increase in issue price
"A" is the number of shares on issue, being 178,221,194 Shares <sup>(a)</sup>	10% voting dilution <sup>(c)</sup>	17,822,119	17,822,119	17,822,119
	Funds raised	\$12,029,931	\$24,059,861	\$48,119,722
"A" is a 50% increase in shares on issue, being 267,331,791 Shares	10% voting dilution <sup>(c)</sup>	26,733,179	26,733,179	26,733,179
	Funds raised	\$18,044,896	\$36,089,792	\$72,179,584
"A" is a 100% increase in shares on issue, being 356,442,388 Shares	10% voting dilution <sup>(c)</sup>	35,644,239	35,644,239	35,644,239
	Funds raised	\$24,059,861	\$48,119,722	\$96,239,445

**Notes:**

- (a) Based on the total number of fully paid ordinary Shares on issue as at 21 October 2021.
- (b) Based on the closing price of the Company's Shares on ASX as at 21 October 2021 .
- (c) The table assumes that the Company issues the maximum number of ordinary Shares available to be issued under Listing Rule 7.1A.
- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (e) The table shows the effect of an issue of equity securities under Listing Rule 7.1A only, not under the Company's 15% placement capacity under Listing Rule 7.1.

**Allocation policy for issues under Listing Rule 7.1A**

The Company's allocation policy and the identity of the allottees of equity securities under Listing Rule 7.1A will depend on a number of factors, including:

- (a) the Company's intentions in relation to the possible issue of equity securities (for cash consideration) during the Listing Rule 7.1A mandate period;
- (b) the structure and timeframe of the capital raising opportunities available to the Company and any alternative methods for raising funds that are available to the Company (such as a pro rata offer or an offer under a share purchase plan);
- (c) the potential effect on the control of the Company;
- (d) the Company's financial position and the likely future capital requirements; and
- (e) advice from the Company's corporate or financial advisors.

Based on the Company's historical cashflow reports and capital raising activities in the past 12 months, the Company considers that it may raise funds during the Listing Rule 7.1A mandate period, although this cannot be guaranteed. As of the date of this Notice, no specific intention to issue equity securities in relation to any parties, investors or existing Securityholders have been formed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board of Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

If and when the determination is made to proceed with an issue of equity securities during the Listing Rule 7.1A mandate period, details regarding the allottees and purposes of issue will be disclosed pursuant to the Company's obligations under Listing Rules 3.10.3 and 7.1A.4.

Offers made under Listing Rule 7.1A may be made to parties (excluding any related parties)



including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

The Company has previously sought Shareholder approval under Listing Rule 7.1A, however the Company has not issued or agreed to issue equity securities under Listing Rule 7.1A.2 in the 12 months preceding the AGM.

This Resolution is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares) must be in favour of this Resolution.

#### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

The Chair intends to vote in favour of this resolution.

## **Ratification of Prior Issue of Placement Shares**

### **Resolution 5 – Ratification of Prior Issue of Placement Shares**

#### **Background**

As announced by the Company on 2 June 2021, the Company issued 4,698,274 fully paid ordinary shares utilising the Company's existing capacity under Listing Rule 7.1.

On 2 June 2021, the Group issued 4,698,274 fully paid ordinary shares (before consolidation, post consolidation 469,827 fully paid ordinary shares) (totalling \$532,841) by way of placement to sophisticated and professional investors or investors under Section 708(1) of the Corporations Act (**Placement Shares**). The Placement Shares were part consideration for the acquisition of a further 4.9% interest in Linx Group Holdings Pty Ltd.

#### **ASX Listing Rule 7.1**

This Resolution proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 4,698,274 fully paid ordinary shares (before consolidation, post consolidation 469,827 fully paid ordinary shares), which was issued on 2 June 2021 (**Issue Date**).

All of the Placement Shares were issued by utilising the Company's existing capacity under Listing Rule 7.1.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the Placement Shares did not fit within any of the exceptions to Listing Rule 7.1 and, as it has not been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the Issue Date.

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder approval to subsequently approve the issue of Placement Shares for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of Placement Shares will be excluded in calculating the Company's 15% capacity to issue equity securities under Listing Rule 7.1 without Shareholder approval over the 12 month period following the Issue Date.

If this Resolution is not passed, the issue of Placement Shares will be included in calculating the Company's 15% capacity to issue equity securities under Listing Rule 7.1 without Shareholder approval over the 12 month period following the Issue Date.

### **Information required by ASX Listing Rule 7.5**

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Placement Shares were issued to Linx Holdings Pty Ltd, Raford Holdings Pty Ltd, Stevday Pty Ltd and Glenn Mellis (together the Vendors).
- (b) The Company issued 4,698,274 Placement Shares (before consolidation, post consolidation 469,827 Placement Shares).
- (c) Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (d) The Placement Shares were issued under a Share Sale agreement between the Vendors and COG Financial Serviced Limited. The material terms of the agreement are:
  - i. Acquisition of 4.9% interest in Linx Group Holdings Pty Ltd, or 1,177,724 fully paid ordinary shares in Linx Group Holdings Pty Ltd;
  - ii. total consideration of \$2,131,365, comprising \$1,598,524 cash consideration and \$532,841 Placement Shares consideration;
  - iii. Placement Shares consideration determined at the 90 day VWAP as at 30 May 2021, being 11.3412158 cents per share (pre consolidation); and
  - iv. Standard terms as expected of a Share Sale Agreement of this type in respect of Title and Risk, Completion, Seller Warranties and General Clauses.

### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

The Chair intends to vote in favour of this resolution.

## **Resolution 6 – Ratification of Prior Issue of Placement Shares**

### **Background**

As announced by the Company on 20 October 2021, the Company issued 11,874,994 fully paid ordinary shares utilising the Company's existing capacity under Listing Rule 7.1, by way of placement to sophisticated and professional investors, being clients of Ord Minnett Limited (Sole Lead Manager) and Petra Capital (Co-Manager) (**Placement Shares**) at an issue price of \$1.35 per share raising \$16,031,241.90 for the Company.

### **ASX Listing Rule 7.1**

This Resolution proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 11,874,994 fully paid ordinary shares, which was issued on 21 October 2021 (**Issue Date**).

All of the Placement Shares were issued by utilising the Company's existing capacity under Listing

Rule 7.1.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the Placement Shares did not fit within any of the exceptions to Listing Rule 7.1 and, as it has not been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the Issue Date.

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder approval to subsequently approve the issue of Placement Shares for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of Placement Shares will be excluded in calculating the Company's 15% capacity to issue equity securities under Listing Rule 7.1 without Shareholder approval over the 12 month period following the Issue Date.

If this Resolution is not passed, the issue of Placement Shares will be included in calculating the Company's 15% capacity to issue equity securities under Listing Rule 7.1 without Shareholder approval over the 12 month period following the Issue Date.

#### **Information required by ASX Listing Rule 7.5**

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Placement Shares were issued to sophisticated and professional investors, being clients of Ord Minnett Limited (Sole Lead Manager) and Petra Capital (Co-Manager).
- (b) The Company issued 11,874,994 Placement Shares.
- (c) Each of the Shares were issued at \$1.35 per Share.
- (d) The Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (e) Funds raised from the issue of the Shares have been and will be used by the Company for the purchase of shares in partly owned subsidiaries of Westlawn Finance Limited (**WFL**), and Platform Consolidated Group Pty Limited (**PCG**) and general working capital.

#### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

The Chair intends to vote undirected provides in **FAVOUR** of Resolution 6.

## **Issue of Shares**

### **Resolution 7 – Approval of Issue of Placement Shares to Associates of a Related Party, Mr Cameron McCullagh, Director**

#### **Background**

This Resolution seeks Shareholder approval to issue and allot a total of up to 2,939,821 fully paid ordinary shares (**Placement Shares**) to associates of a related party, Mr Cameron McCullagh, at an issue price of \$1.35 per share raising up to \$3,968,758.35 for the Company.

Accordingly, Shareholder approval is being sought to issue and allot the following Placement Shares to related parties of Mr Cameron McCullagh, Director of the Company:

1. up to 2,620,814 Placement Shares to GEGM Investments Pty Ltd;
2. up to 190,082 Placement Shares to C-Flag Pty Ltd; and
3. up to 128,925 Placement Shares to Kai Lani Mackerel Pty Ltd <The McCullagh Super Fund A/C>.

#### **Listing Rule 10.11**

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an Associate of a person referred to in (a) to (c) above; and
- (e) a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

As Cameron McCullagh is Director of the Company, Cameron McCullagh (or his nominees) is a person in a position of influence for the purposes of Listing Rule 10.11. The proposed issue does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

To this end, this Resolutions seeks the required Shareholder approval to issue a total of up to 2,939,821 fully Placement Shares to Cameron McCullagh (or his nominees) under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1.

If this Resolution is passed, the Company will be able to proceed with the proposed issue of Placement Shares.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of Placement Shares.

#### **Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a

related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Placement Shares (which is a type of equity security, for the purposes of the Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

A “related party” for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of “related party” also includes a person whom there is reasonable grounds to believe will become a “related party” of a public company.

As the Placement Shares are being offered to Cameron McCullagh (or his nominees) on the same terms as the offer to non-related parties under the Placement in Resolution 6, the Company relies on the “arm’s length terms” exception as set out in section 210 of the Corporations Act for the purposes of Resolution 7.

### **Information required by ASX Listing Rule 10.13**

The following information in relation to the issue of Placement Shares to associates of a related party, Mr Cameron McCullagh, is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- (a) The related party is Mr Cameron McCullagh. As Cameron McCullagh is a Director of the Company, he falls within the category referred to in Listing Rule 10.11. GEGM Investments Pty Ltd, C-Flag Pty Ltd and Kai Lani Mackerel Pty Ltd <The McCullagh Super Fund A/C> are all associates of the related party, Mr Cameron McCullagh.
- (b) The maximum number of Placement Shares to be issued is up to 2,939,821, being:
  - up to 2,620,814 Placement Shares to GEGM Investments Pty Ltd;
  - up to 190,082 Placement Shares to C-Flag Pty Ltd; and
  - up to 128,925 Placement Shares to Kai Lani Mackerel Pty Ltd <The McCullagh Super Fund A/C>.
- (c) The Placement Shares will be offered at an issue price of \$1.35 per Placement Share.
- (d) The Placement Shares will be issued within 1 month of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (e) The Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (f) Funds raised from the issue of the Shares have been and will be used by the Company for the purchase of shares in partly owned subsidiaries of Westlawn Finance Limited (**WFL**), and Platform Consolidated Group Pty Limited (**PCG**) and general working capital.

### **Directors’ recommendation**

The Directors (excluding Mr McCullagh) recommend that Shareholders vote for this Resolution.

The Chair intends to vote undirected provides in **FAVOUR** of Resolution 7.

## **Resolution 8 – Giving of Financial Assistance**

### **Background and details of Proposed Financial Assistance**

Mr Cameron Bott (**CB**), Executive Director – COG Insurance being an employee of Westlawn Insurance Brokers Pty Ltd (ACN 075 847 291) (**WIBPL**) is the sole shareholder of Ascot Rise Broking Pty Ltd (ACN 637 027 224) (**ARBPL** or **Purchaser**). ARBPL is seeking to acquire 20% (or

25,882 fully paid ordinary shares) of the issued shares in WIBPL (**Acquisition**). WIBPL is a controlled subsidiary of the Company.

The Acquisition will be through an acquisition of shares in the capital of WIBPL, purchased from Westlawn Finance Limited (ACN 096 725 218) (**WFL**), a controlled subsidiary of the Company. As at the date of this Notice of Meeting:

- (1) the Company owns 51% of WFL;
- (2) as announced on 14 and 15 October 2021, the Company has undertaken a capital raising, which, in part, is being used to fund the acquisition of a further 24% interest in WFL, increasing its ownership to 75%. This further acquisition may complete by the date of the Meeting;
- (3) WFL owns 100% of the issued capital of WIBPL.

The Acquisition will be financed through a loan from the Company to ARBPL, guaranteed by CB, in the amount of \$1,959,145.

The Company and WFH are, or will be, party to the following agreements, with the noted material terms:

Share Sale Agreement between WFL (**Seller**) and ARBPL (**Buyer**):

- (i) WFL owns 129,412 ordinary shares in WIBPL, being all the issued shares in WIBPL;
- (ii) WFL agrees to sell to ARBPL 28,552 ordinary shares (**WIB Shares**) for \$1,959,145 (**Sale of Securities**);
- (iii) Effective date of sale is 1 October 2021 but with completion of the Sale of Securities dependent on the passing of this COG shareholder resolution; and
- (iv) Standard terms in respect of Sale and Purchase, Completion, Warranties, Confidentiality and General Clauses.

Loan Facility Agreement between the Company (**Lender**), ARBPL (**Borrower**), and CB (**Guarantor**):

- (i) the Lender agrees to advance monies on behalf of the Borrower to the vendor of the WIB Shares pursuant to the Sale of Securities (**Loan Facility**);
- (ii) repayments on the outstanding loan will be made from dividends declared on the WIB Shares and any other bonus or incentive entitlements payable to CB in relation to his employment with WIB together with any other loans repayments the Borrower wishes to make;
- (iii) interest will accrue on the outstanding loan at 5%pa calculated daily and capitalised monthly;
- (iv) the term of the Loan Facility is capped at 5 years and will end earlier if CB ceases to be involved in the business of the Company and its subsidiaries or the Borrower ceases to be a shareholder of WIBPL with the outstanding loan repayable at end of term on 2 months notice from the Company;
- (v) the Borrower grants a security interest in the WIB Shares in favour of the Company, to be registered on the PPSR;
- (vi) in case of default including any encumbrance over the WIB Shares or change in control of the Borrower or insolvency of the Borrower, the Company can terminate the Loan Facility and demand full repayment and enforce its security interest over the WIB Shares;
- (vii) the Company has standard enforcement rights to recover the outstanding loan against the Borrower and CB as guarantor in case of default or termination through

expiry or CB leaving the business for any reason; and

(viii) includes standard terms for borrower undertakings, representations and warranties.

together the **Acquisition Documentation**.

The Acquisition Documentation is presently being negotiated and finalised. The indicative terms of the Acquisition Documentation are outlined above.

The Directors consider that the terms of the Acquisition Documentation, including in relation to interest charges, events of default, undertakings, representations and warranties, are customary for a facility of this nature.

The Sale of Securities by WFL to ARBPL and the granting of the Loan Facility by the Company to ARBPL may constitute the Company giving “financial assistance” in connection with the Acquisition within the meaning of section 260A of the Corporations Act insofar as doing so assists ARBPL to purchase shares in WIBPL.

Accordingly, Shareholders are being asked under Resolution 8 to approve the giving of the financial assistance by the Company for the purposes of section 260B(2) of the Corporations Act in order for the Sale of Securities to ARBPL to take place.

### **The requirements for obtaining member approval under section 260B of the Corporations Act**

Under section 260A of the Corporations Act, a company may financially assist a person to acquire shares in the company or its holding company only in certain circumstances, one of which is if the assistance is approved by shareholder(s) under section 260B of the Corporations Act at a general meeting of the company.

While the Corporations Act does not define what is meant by “financially assist”, it is generally accepted that the Loan Facility provided by the Company may fall within the broad scope of that term insofar as it assists ARBPL to purchase shares in WIBPL.

The relevant requirements for shareholder approval under section 260B of the Corporations Act are:

- (a) The assistance must be approved by shareholders of the Company by:
  - a. a Special Resolution passed at a general meeting of the Company with no votes being cast in favour of the resolution by the person acquiring the shares or by their associates; or
  - b. a resolution agreed to, at a general meeting of the Company, by all ordinary shareholders.
- (b) The Corporations Act requires that the Company must include with the notice of meeting a statement setting out all the information known to the Company that is material to the decision on how to vote on the resolution, unless it would be unreasonable to require the Company to do so because the Company has previously disclosed the information to its shareholders. The information has been included in section titled “*Giving of Financial Assistance*” of this Explanatory Statement by the Company to satisfy this requirement.

### **Reasons for Proposed Financial Assistance**

The strategic rationale and reasons why the Company is providing the Loan Facility is to provide an incentive package to CB, as Executive Director – COG Insurance and an employee of WIBPL, through his part ownership of WIBPL, which is aligned to the Company’s remaining and controlling shareholding in WIBPL. Such incentive aligns CB to seek long term capital appreciation and dividend income for all shareholders.

## Advantages

- (a) As a member of the group of companies of which the Company is the ultimate holding company, WIBPL will have the benefit of access to the skills and insurance broker expertise of CB and will enable the Company and its group of subsidiary entities to have the opportunity to take advantage of a broader range of expansion opportunities in the insurance broker sector than those which it would otherwise have had.
- (b) CB, as Executive Director – COG Insurance and an employee of WIBPL, through his part ownership of WIBPL will be aligned to the Company's remaining and controlling shareholding in WIBPL on a long term basis. Such incentive aligns CB to seek long term capital appreciation and dividend income for all shareholders through growth in the insurance broker sector for the benefit of all shareholders of the Company.

## Disadvantages

- (a) As the Company will be continue to be the ultimate holding company of WFL and WIBPL, the Directors of the Company do not believe there are any material disadvantages to the Company approving the giving of financial assistance by ARBPL.

In the unlikely event the expected growth and expansion of the insurance broker business conducted by WIBPL does not occur through the services of CB, the WIB Shares – being the primary security of the Loan Facility – may lose their value and, in case of default by the Borrower, the Company will need to enforce its rights against the Guarantor without other specific security. The Directors accordingly believe, after careful consideration of all relevant factors and in the context of the positive benefits of the acquisition by the Purchaser of Sale of Securities for the Company, that the provision of financial assistance by the Company as referred to in this Explanatory Statement is in the best interests of and of commercial benefit to the Company.

## **Special Resolution**

Under the provisions of section 260B(2) of the Corporations Act, the proposed financial assistance requires shareholder approval by way of Special Resolution. That is, at least 75% of the votes cast by Shareholders entitled to vote on the Resolution must be in favour of the Resolution for it to be passed.

## **Notice to ASIC**

Copies of the Notice and this Explanatory Statement were lodged with ASIC before being sent to Shareholders in accordance with section 260B(5) of the Corporations Act.

## **Disclosure of information**

The Directors consider that this Explanatory Statement contains all material information known to the Company that could reasonably be required by Shareholders in deciding whether to approve Resolution 8, other than information that it would be unreasonable to require the Company to disclose because the Company has previously disclosed the information to Shareholders.

## **Directors' recommendation**

The Directors recommend that Shareholders vote for this Resolution.

The Chair intends to vote undirected provides in **FAVOUR** of Resolution 8.

# Enquiries

Shareholders are asked to contact the Company Secretary, Mr David Franks, on +612 8072 1400 if they have any queries in respect of the matters set out in these documents.



# Glossary

**AEDT** means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

**Annual Financial Report** means the 2021 Annual Report to Shareholders for the period ended 30 June 2021 dated and lodged by the Company with ASX on 1 September 2021.

**Annual General Meeting** or **AGM** or **Meeting** means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

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

**Associate** has the meaning given to it by the ASX Listing Rules.

**ASX** means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

**ASX Listing Rules** or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

**Auditor's Report** means the auditor's report of BDO Audit Pty Ltd dated 1 September 2021 as included in the Annual Financial Report.

**Board** means the current board of Directors of the Company.

**Business Day** means a day on which trading takes place on the stock market of ASX.

**Chair** means the person chairing the Meeting.

**Closely Related Party** of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

**Company** means COG Financial Services Limited ACN: 100 854 788

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

**Director** means a current director of the Company.

**Directors' Report** means the report of Directors as included in the Annual Financial Report.

**Dollar** or "**\$**" means Australian dollars.

**Explanatory Statement** means the explanatory statement accompanying this Notice of Meeting.

**KMP** means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

**Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting dated 21 October 2021 including the Explanatory Statement.

**Ordinary Resolution** means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**Performance Right** means a performance right which, subject to its terms, could convert to a Share.

**Proxy Form** means the proxy form attached to this Notice of Meeting.

**Placement Shares** means the fully paid ordinary shares issued to sophisticated and professional investors by way of Placement.

**Remuneration Report** means the remuneration report as set out in the Annual Financial Report.

**Resolutions** means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

**Restricted Voter** means a member of the Company's KMP and any Closely Related Parties of those members.

**Securities** mean Shares and/or Options (as the context requires).

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

**Shareholder** means a holder of a Share.

**Share Registry** means Automic Pty Ltd.

**Special Resolution** means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**Spill Meeting** means the meeting that will be convened within 90 days of the 2022 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2022 AGM.

**Spill Resolution** means the resolution required to be put to Shareholders at the 2022 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2022 AGM.

**Trading Day** has the meaning given to that term in ASX Listing Rule 19.12.

**VWAP** means the volume weighted average market (closing) price, with respects to the price of Shares.

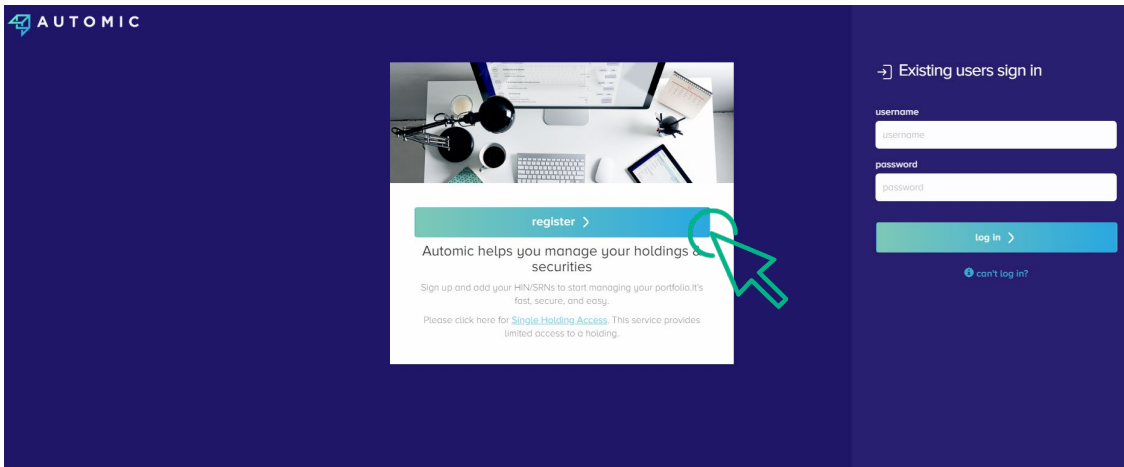
# Annexure A – Online Meeting User Guide

# Virtual Meeting Registration and Voting

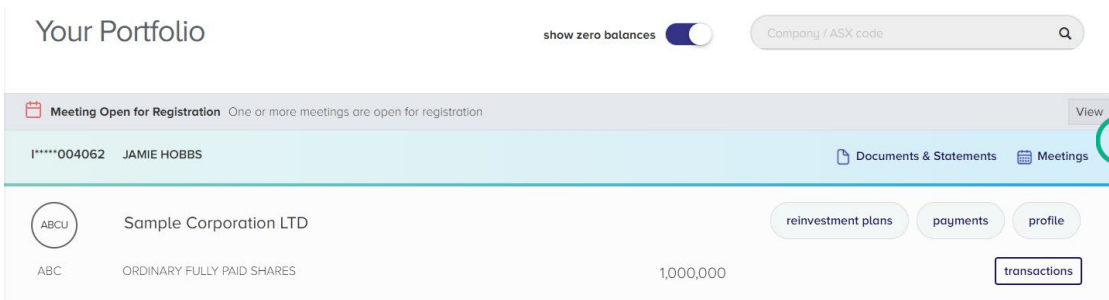


## REGISTRATION

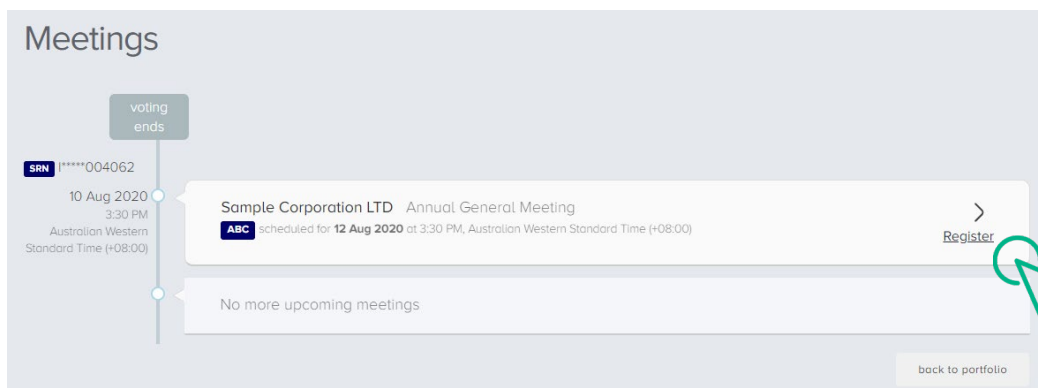
- Go to: <https://investor.automic.com.au/#/home>.
- Log in using your existing username and password or click on “register” and follow the on-screen prompts to create your login credentials.



- Once logged in you will see that the meeting is open for registration. Click on “view”.



- Click on “register” to register your attendance for the meeting.



## REGISTRATION

- Select “yes, I would like to vote” and then click “next”.

The screenshot shows a web interface titled "Registration" for "Sample Corporation LTD - Annual General Meeting". A progress bar at the top indicates the current step is "Registration" (with a document icon) and the final step is "Complete" (with a checkmark icon). Below the progress bar, the heading "Registration - Step 1 of 2" is displayed. The main content area contains a question: "Will you be registering to vote?". Below the question, there are two instructions: "If you have already lodged a Proxy Form and wish for your proxy vote to stand, please select 'NO, I will not be voting'" and "If you have lodged a Proxy Form and wish to amend your vote, please select 'YES, I would like to vote'". There are two radio button options: "YES, I would like to vote" (which is selected) and "NO, I will not be voting". A blue "next" button is located at the bottom right of the form. Green arrows point to the selected radio button and the "next" button.

- You will be placed on a holding page until voting opens for the meeting. From here you can access the meeting video/audio by selecting the meeting URL.
- Once the Chair of the Meeting declares voting open, you should select “refresh”.

The screenshot shows a web interface titled "Registration" for "Sample Corporation LTD - Annual General Meeting". A progress bar at the top indicates the current step is "Registration" (with a document icon) and the final step is "Complete" (with a checkmark icon). Below the progress bar, the heading "Complete - Step 2 of 2" is displayed. The main content area contains a green checkmark icon followed by the text "Registration Complete!". Below this, it says "The voting is not open yet. Refresh this page or come back here later." A blue "Refresh" button is located at the bottom right. A light blue box contains the text "You can join the meeting online using the following link" followed by the URL: <https://us02web.zoom.us/j/84986335645?pwd=QTFUUGhjbjYyZjNQd2xVWXdlMGgwZz09>. Green arrows point to the "Refresh" button and the meeting URL.

# VOTING

- The next screen will display the resolutions to be put to the meeting.
- The Chair of the meeting will provide instructions on when to mark your vote.
- You record your vote by selecting either “for”, “against” or “abstain” next to the appropriate resolution.
- Once voting has been declared closed you must select “next” to submit your vote.

Voting

Sample Corporation LTD - Annual General Meeting

Registration Poll Review Complete

Poll - Step 2 of 4

You can join the meeting online using the following link  
<https://us02web.zoom.us/j/84986335645?pwd=QTFUUGhjbLYzNkQd2xVWXdIMGgwZz09>

**Resolutions**  
You must vote on all resolutions, except for those marked as withdrawn.

1	Remuneration Report	for	against	abstain
2	Re-Election of Mr Robert Smith as Director	for	against	abstain

prev next

- On the next screen, check your vote is correct and select the box next to “declaration” – you cannot confirm your vote unless you select this box.
- Select “confirm” to confirm your vote – you CANNOT amend your vote after pressing the “confirm” button.

Review - Step 3 of 4

**Confirmation**  
Please review and confirm.

1	Remuneration Report	for	against	abstain
2	Re-Election of Mr Robert Smith as Director	for	against	abstain

**Declaration** PLEASE NOTE: You will not be able to change your votes after pressing the confirm button.  
By pressing confirm you agree that this online voting form has been signed, authorised and submitted by you, in your capacity as a registered holder (or legally authorised representative) of the Company, in accordance with the requirements under the Company's Constitution, the Corporations Act 2001 (Cth) and Automic's terms and conditions.

prev confirm

# VOTING COMPLETE

- Your vote is now lodged and is final.

## Voting

Sample Corporation LTD - Annual General Meeting

Progress: Poll (0) — Review (1) — Complete (2)

Complete - Step 3 of 3

**Complete**

You have successfully submitted your vote.

You can join the meeting online using the following link

<https://us02web.zoom.us/j/85784417406?pwd=TFE0TTdGTEhGSENIbUN5NzF3bUUQT09;>





COG Financial Services Limited | ABN 58 100 854 788

# Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **9.30am (AEDT) on Saturday, 27<sup>th</sup> November 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise, if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, 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.

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

#### All enquiries to Automic:

#### PHONE:

1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)

