

**Form 604**Corporations Act 2001  
Section 671B**Notice of change of interests of substantial holder**

To Company Name/Scheme PayGroup Limited

ACN/ARSN 620 435 038

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

Name PayGroup Limited (PYG)

ACN/ARSN (if applicable) 620 435 038

There was a change in the interests of the  
substantial holder on 14 / 12 / 2020

The previous notice was given to the company on / /

The previous notice was dated / /

**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, areas follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary shares	10,320,983	13.45%	15,849,439	19.26%

**3. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
14/12/2020	PYG arising from voluntary escrow arrangements	The issue of 5,528,456 ordinary shares subject to voluntary escrow in connection with the acquisition of the share capital of Payroll HQ Pty Ltd. PYG does not have any right to control the voting rights attached to these shares.	Nil	15,849,439 ordinary fully paid shares	15,849,439

**4. Present relevant interests**

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
PYG (arising from voluntary	See annexure A	See annexure A	PYG has entered into voluntary escrow deeds with	8,494,118 ordinary fully paid	8,494,118

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
escrow agreements)			shareholders in connection with its acquisition of the share capital of Astute One Limited. The form of voluntary escrow deed is annexed as Annexure B. Under the escrow deed the relevant shareholders are restricted from disposing of the relevant shares for various periods.	shares	
PYG (arising from voluntary escrow agreements)	TALENTOZ SDN BHD	TALENTOZ SDN BHD	PYG has entered into a voluntary escrow deed with a shareholder in connection with the acquisition of TalentOz. The form of voluntary escrow deed is annexed as Annexure B. Under the escrow deed the relevant shareholder is restricted from disposing of the relevant shares for 24 months.	1,211,759 ordinary fully paid shares	1,211,759
PYG (arising from voluntary escrow agreements)	CHAPPELL ESCROW PTE LTD	CHAPPELL ESCROW PTE LTD	PYG has entered into a voluntary escrow deed with a stakeholder in connection with the acquisition of TalentOz. The form of voluntary escrow deed is annexed as Annexure B. Under the escrow deed the relevant stakeholder is restricted from disposing of the relevant shares for various periods.	615,106 ordinary fully paid shares	615,106
PYG (arising from voluntary escrow agreements)	Michele Louise Robertson	Michele Louise Robertson	PYG has entered into voluntary escrow deeds with six shareholders in connection with its acquisition of the share capital of Payroll HQ Pty Ltd. The form of voluntary escrow deed is annexed as Annexure B. Under the escrow deed the relevant shareholders are restricted from disposing of the relevant shares for the period of 24 months from the date of issue of the shares.	412,269 ordinary fully paid shares	412,269
PYG (arising from voluntary escrow agreements)	Maria Nikolettatos	Maria Nikolettatos	As above	82,454 ordinary fully paid shares	82,454
PYG (arising from voluntary	Kylie Jane Elliot	Kylie Jane Elliot	As above	412,269 ordinary fully paid	412,269

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
escrow agreements)				shares	
PYG (arising from voluntary escrow agreements)	IMT Heron Pty Ltd (ACN 633 500 535)	A. Ross Family Trust	As above	2,061,347 ordinary fully paid shares	2,061,347
PYG (arising from voluntary escrow agreements)	Jacqueline Maree Knight	Jacqueline Maree Knight	As above	412,269 ordinary fully paid shares	412,269
PYG (arising from voluntary escrow agreements)	Elizabeth & Co Pty Ltd (ACN 169 473 429)	468 Baraka Family Trust	As above	742,086 ordinary fully paid shares	742,086
PYG (arising from voluntary escrow agreements)	A.C.N. 645 534 274 Pty Ltd	Michele Louise Robertson Maria Nikolettatos Kylie Jane Elliot A. Ross Family Trust Jacqueline Maree Knight 468 Baraka Family Trust	As above	1,405,762 ordinary fully paid shares	1,405,762

## 5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

## 6. Addresses

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

Name	Address
PYG	Level 1, 325 Flinders Lane, Melbourne VIC 3000
TALENTOZ SDN BHD	545 ORCHARD ROAD #13-04 FAR EAST SHOPPING CENTRE SINGAPORE 238882
CHAPPELL ESCROW PTE LTD	GROUND FLOOR NO 122 JALAN THAMBY ABDULLAH OFF JALAN TUN SAMBANTHAN BRICKFIELDS 50470 KUALALUMPUR
Michele Louise Robertson	11 Madeline Street, Hunters Hill NSW 2110
Maria Nikolettatos	58 Sea Street, Umina Beach NSW 2257
Kylie Jane Elliot	17 Dalabon Crescent, Waramanga ACT 2611
IMT Heron Pty Ltd (ACN 633 500 535)	110 Toronto Avenue, Cromer NSW 2099
Jacqueline Maree Knight	23 Cattleya Court, Hollywell QLD 4216
Elizabeth & Co Pty Ltd (ACN 169 473 429)	11 Madeline Street, Hunters Hill NSW 2110
A.C.N. 645 534 274 Pty Ltd	21 Fernbank Place, Cherrybrook NSW 2126

## Signature

print name OLIVER CARTON

Company secretary

Capacity



11 January 2021

date

sign here

## DIRECTIONS

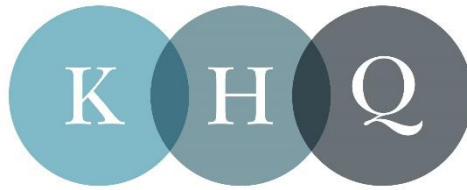
- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting power or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

## Annexure A

Name	Address	no of shares
Market Effect Pty Ltd as Trustee for MKOB Family Trust	Suite 304, 22 St Kilda Road, St Kilda VIC 3182	4264352
Kimon Pty Ltd as trustee for the AJ Hudson Discretionary Trust	Suite 22 302 St Kilda Road, St Kilda, VIC 3182	321582
Kimon Pty Ltd as trustee for the Hudson Family Discretionary Trust	Suite 203, 22 St Kilda Road, St Kilda, VIC 3182	289
Destin Pty Ltd	26-32 Pirrama Road Jones Bay Wharf, Pyrmont, NSW, 2009	794634
Insor Pty Ltd as trustee for the Gerald Bullon Family Trust	54 Larnook Street, Prahran, VIC, 3181	17028
Vicky Kazacos & Peter Kazacos	88 Foveaux Street, Surry Hills, NSW, 2010	709494
Kazacos Investments Pty Ltd	88 Foveaux Street, Surry Hills, NSW, 2010	1702786
Lukas Winward Investments Pty Ltd	Suite 2, Level 1, 666 Doncaster Road, Doncaster, VIC, 3108	17028
Shelley Mackie as trustee for the Mackie Family Trust	149 Weatherall Road, Cheltenham, VIC, 3192	170279
Sam Winward Investments Pty Ltd	Suite 2, Level 1, 666 Doncaster Road, Doncaster, VIC, 3108	17028
Shared Office Services Pty Ltd	15 Malcolm Court, Ringwood East, 3135	34056
Winward Investments Pty Ltd	Suite 2, Level 1, 666 Doncaster Road, Doncaster, VIC, 3108	68111
Mr Patrick John Volpe	C/- Level 1, 325 Flinders Lane, Melbourne VIC 3000	178793
Vermar Pty Ltd	C/- Level 1, 325 Flinders Lane, Melbourne VIC 3000	198658





L A W Y E R S

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# Escrow Deed

PayGroup Limited

KHQ Lawyers  
Level 4, 600 Bourke Street  
MELBOURNE VIC 3000  
PO Box 597  
Collins Street West VIC 8007

+61 (3) 9663 9877

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3463-9671-8354, v. 2



## ESCROW DEED

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**ESCROW DEED**

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Details

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**Parties**

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Name	<b>PayGroup Limited</b>
ACN	620 435 038
Address	1/325 Flinders Lane, Melbourne VIC 3000
	<b>(Company)</b>

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Name	<b>The party listed in Item 1 of Schedule 1</b>
	<b>(Holder)</b>

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Name	<b>A party (if any) listed in Item 2 of Schedule 1</b>
	<b>(Controller)</b>

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**Date of deed**

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**Terms and conditions**

**1. DEFINITIONS AND INTERPRETATION**

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**1.1 Definitions**

In this deed, unless the context otherwise requires:

**ASX** means ASX Limited (ACN 008 624 691) or the market it operates as the context requires.

**ASX Settlement** means ASX Settlement Pty Ltd (ABN 49 008 504 532).

**ASX Settlement Operating Rules** means the ASX Settlement Operating Rules published by the ASX, as in operation on the date of this deed.

**Business Day** means a day on which banks are open for business in Melbourne, other than a Saturday, Sunday or a public holiday in Melbourne.

**Business Hours** means 9.00 am to 5.00 pm on any Business Day.

**Controller Interest** means the securities or other rights or interests through which a controller controls, or has a substantial economic interest in, the Escrow Securities or the holder of the Escrow Securities, full particulars of which are set out in Item 3 of Schedule 1.

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

**Dispose** includes:

- (a) the meaning given to that term in the Listing Rules;
- (b) in relation to Escrow Securities to:
  - (i) sell, assign, transfer, covert, surrender, cancel, convey, make a gift of or otherwise dispose (directly or indirectly) of any interest in the Escrow Securities;

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- (ii) declare a trust over any interest in the Escrow Securities;
  - (iii) encumber or grant a Security Interest over or otherwise use as collateral the Escrow Securities;
  - (iv) grant or exercise an option in respect of any Escrow Securities;
  - (v) do, or omit to do, any act if the act or omission would have the effect of transferring, whether directly or indirectly, effective ownership or control of, or transferring or decreasing an economic interest in, any of the Escrow Securities; or
  - (vi) agree to do any of those things; and
- (c) in relation to the Controller Interest, to:
- (i) sell, assign, transfer, covert, surrender, cancel, convey, make a gift of or otherwise dispose (directly or indirectly) of any interest in the Controller Interest;
  - (ii) declare a trust over any interest in the Controller Interest;
  - (iii) encumber or grant a Security Interest over or otherwise use as collateral the Controller Interest;
  - (iv) grant or exercise an option in respect of any Controller Interest;
  - (v) do, or omit to do, any act if the act or omission would have the effect of transferring, whether directly or indirectly, effective ownership or control of, or transferring or decreasing an economic interest in, any of the Controller Interest; or
  - (vi) agree to do any of those things.

**Escrow Period** means the period set out in Item 4 of Schedule 1.

**Holding Lock** has the meaning in Section 2 of the ASX Settlement Operating Rules.

**Issuer Sponsored Subregister** means the part of the Company's register for shares that is administered by the Company (and not ASX Settlement) and records uncertificated holdings of Shares.

**Listing Rules** means the listing rules of the ASX (or such other financial market on which the Company is listed) and any other rules of the ASX (or such other financial market as the Company is listed) which are applicable while the Company is admitted to the official list of the ASX (or such other financial market on which the Company is listed), each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX (or such other financial market on which the Company is listed).

**Escrow Securities** means the Shares in the Company held by the Holder or Controller as described in Item 5 of Schedule 1.

**Security Interest** means any:

- (a) legal or equitable interest or power created, arising in or reserved in or over an interest in any property or asset; or
- (b) security for payment of money, performance of obligations or protection against default (including a mortgage, bill of sale, charge, lien, pledge, trust, power or retention of title arrangement, right of set-off, assignment of income, garnishee order, monetary claim and flawed deposit arrangement);

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- (c) any thing or preferential interest or arrangement of any kind giving a person priority or preference over claims or other persons with respect to any property or asset;
- (d) a security interest as defined by the *Personal Property Securities Act 2009* (Cth); or
- (e) any agreement or arrangement (whether legally binding or not) to grant or create anything referred to in paragraphs (a), (c) or (d); and

**Share** means a share in the Company.

**Share Sale Agreement** means the Share Sale Agreement entered into by the Company, the Holder and others in relation to the acquisition by the Company of the entire issued share capital of Payroll HQ Pty Ltd (ACN 601 661 527).

**Trading Day** means a 'trading day' as defined in the Listing Rules.

### 1.2 Interpretation

In this deed headings and words in bold are inserted for convenience and do not affect the interpretation of this deed and unless the contrary intention appears:

- (a) a reference to this deed or another instrument includes any variation or replacement of any of them;
- (b) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re enactments or replacements of any of them;
- (c) the singular includes the plural and vice versa;
- (d) the word 'person' includes a firm, a body corporate, an unincorporated association or an authority;
- (e) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (f) if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- (g) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (h) if an act prescribed under this deed to be done by a party on or by a given day is done after 5.00pm on that day, it is taken to be done on the next day;
- (i) if an event must occur on a stipulated day that is not a Business Day then the stipulated day will be taken to be the next Business Day;
- (j) a reference to time is a reference to Melbourne time;
- (k) a reference to any thing (including any amount) is a reference to the whole and each part of it and a reference to a group of persons is a reference to any one or more of them;
- (l) a reference to a part, clause, party, attachment, exhibit or schedule is a reference to a part and clause of, and a party, attachment, exhibit and schedule to, this deed and a reference to this deed includes any attachment, exhibit and schedule;
- (m) a reference to \$ is to Australian currency and any amount payable under this deed is payable in Australian currency, unless denominated or specified otherwise; and
- (n) terms defined in the Corporations Act are used in this deed with the same defined meaning.

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### 1.3 Inclusive expressions

Specifying anything in this deed after the words 'including', 'includes' or 'for example' or similar expressions does not limit what else is included unless there is express wording to the contrary.

### 1.4 Compliance with Listing Rules

For so long as the Company is listed on the official list of the ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

## 2. ESCROW

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### 2.1 Holder restrictions

During the Escrow Period the Holder agrees that it will not:

- (a) Dispose of, or agree or offer to dispose of, the Escrow Securities;
- (b) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of transferring effective ownership or control of the Escrow Securities; or
- (c) participate in a return of capital made by the Company,  
except as permitted by this deed.

### 2.2 Controller restrictions

During the Escrow Period the Controller agrees that it will not:

- (a) Dispose of, or agree or offer to dispose of, the Controller Interests; or
- (b) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of transferring effective ownership or control of the Controller Interests.

A Controller may do any of the things specified in clause 2.2(a) in circumstances where the Holder is able to do any of those things in respect of the Escrow Securities in accordance with this deed.

### 2.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) the Escrow Securities will be registered and held for the Holder on the Issuer Sponsored Subregister;

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- (b) the Company will apply a Holding Lock to the Escrow Securities as soon as practicable after registration of the Escrow Securities on the Issuer Sponsored Subregister and the Holder hereby agrees to the application of the Holding Lock;
- (c) the Company will do all things necessary to ensure that the Holding Lock is released:
  - (i) to the extent necessary to permit disposals of Escrow Securities permitted by this deed; and
  - (ii) in full at the conclusion of the Escrow Period,including notifying ASX that the Escrow Securities will be released from the Holding Lock, in accordance with the timing requirements set out in Listing Rule 3.10A.

### 2.4 Notice by Holder

If the Holder becomes aware:

- (a) that any action, event or circumstance referred to in clause 2.1 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 2.1 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or the matter, as applicable, providing full details.

### 2.5 Notice by Controller

If the Controller becomes aware:

- (a) that any action, event or circumstance referred to in clause 2.2 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clause 2.2 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or the matter, as applicable, providing full details.

### 2.6 Dividends and voting rights

- (a) The terms of this deed will have no effect on any rights of the Holder to receive or participate in dividends, any rights issue, bonus issue or other distributions in connection with the Escrow Securities.
- (b) The terms of this deed will have no effect on any rights of the Holder to exercise voting rights in respect of the Escrow Securities and no voting rights are conferred on the Company or any associates (as defined in the Corporations Act) pursuant to this deed.

## 3. EXCEPTIONS TO ESCROW RESTRICTIONS

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### 3.1 Events

Notwithstanding clause 2.1, during the Escrow Period, the Holder may Dispose of the Escrow Securities (other than granting a Security Interest in respect of the Escrow Securities) if done as part of:

- (a) a share buy-back under an equal access scheme;

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- (b) a takeover (including a proportional takeover);
- (c) a scheme of arrangement; or
- (d) other similar transaction in respect of the Company,

provided all of the conditions set out in clauses 3.2 to 3.5 (as applicable to the transaction) are satisfied.

### 3.2 Procedure on share buy-back

If the proposed Disposal of the Escrow Securities is done as part of a share buy-back under an equal access scheme, then the following conditions must be satisfied:

- (a) the equal access scheme is conducted in compliance with Division 2 of Part 2J.1 of the Corporations Act; and
- (b) the Holder and the Company agree in writing that the certificates for the Escrow Securities will be returned to the recognised trustee or bank, or a Holding Lock applied to the Escrow Securities, if the Escrow Securities which are the subject of the equal access scheme are not cancelled.

### 3.3 Procedure on takeover

If the proposed Disposal of the Escrow Securities is done as part of a takeover or proportional takeover, then the following conditions must be satisfied:

- (a) the holders of at least 50% of the securities in the bid class that are not subject to escrow and to which the offer relates have accepted the takeover offer in accordance with its terms; and
- (b) in relation to an off-market takeover bid, if the offer is conditional, the bidder and the Holder agree in writing that the certificates for the Escrow Securities will be returned to the recognised trustee or the bank, or a Holding Lock applied, for each Escrow Security that is not bought by the bidder under the off-market takeover bid.

### 3.4 Procedure on scheme of arrangement

If the proposed Disposal of the Escrow Securities is done as part of a scheme of arrangement under Part 5.1 of the Corporations Act, then the following conditions must be satisfied:

- (a) the scheme of arrangement must involve the transfer to a third party of all the ordinary shares in the Company;
- (b) an order of the court made under section 411(4)(b) of the Corporations Act in relation to the scheme of arrangement must have come into effect pursuant to section 411(10) of the Corporations Act; and
- (c) the Holder and the Company agree in writing that the certificates for the Escrow Securities will be returned to the recognised trustee or bank, or a Holding Lock applied to the Escrow Securities, if the scheme of arrangement is not implemented.

### 3.5 Procedure on similar transaction

If the proposed Disposal of the Escrow Securities is done as part of a transaction having a similar effect to a share buy-back under an equal access scheme, takeover or scheme of arrangement, then the following conditions must be satisfied:

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- (a) the transaction must involve the transfer to a third party of all of the ordinary shares in the Company or the transfer of shares held by every holder of ordinary shares in the Company on a pro rata basis; and
- (b) the Company must consent in writing to the transfer which consent must not be unreasonably withheld or delayed.

### 3.6 Share Sale Agreement

- (a) Notwithstanding clause 2.1, during the Escrow Period, the Holder may Dispose of the Escrow Securities in accordance with the Share Sale Agreement.
- (b) The Holder acknowledges that if any of the Escrow Securities are required to be Disposed of in accordance with the Share Sale Agreement, the Holder agrees to execute all documents required by the Company to transfer the Holder's interest in the Escrow Securities and appoints each of the Company's directors as agent or attorney to execute all documents on the Holder's behalf if the Holder fails to do so.

### 3.7 Release from escrow on Court order

During the Escrow Period, the Holder may Dispose of (including granting a Security Interest) in respect of the Escrow Securities in order to comply with any Court order.

## 4. WARRANTIES AND ACKNOWLEDGMENT

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### 4.1 Giving of warranties

The Holder and the Controller give the warranties and representations in favour of the Company as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Escrow Period.

### 4.2 Warranties

Each of the Holder and the Controller jointly and severally represent and warrant that:

- (a) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder or the Controller has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**));
- (b) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (c) this deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (d) the execution, delivery and performance by it of this deed does not and will not violate, breach or result in a contravention of:
  - (i) any applicable law, regulation or authorisation;
  - (ii) its constitution or other constituent documents (or, if the Holder or the Controller is a Trustee, the trust deed for the Trust); or
  - (iii) any agreement, undertaking, Security Interest or document which is binding on it;
- (e) the Escrow Securities are free from all Security Interests and other third party interests or rights and will remain so during the Escrow Period;



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- (f) prior to the Escrow Period, it has not done (and will not do), or omitted to do (or will not omit to do), any act which would result in it Dealing in Escrow Securities or Controller Interests such that it would take effect during or after the Escrow Period;
- (g) if the Holder or the Controller is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust; and
- (h) if the Holder or the Controller is a Trustee:
  - (i) the Holder or the Controller (as applicable) has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder or the Controller (as applicable) has not released or disposed of its equitable lien over the Trust; and
  - (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

### 4.3 Acknowledgment

The Holder and the Controller acknowledge that a breach of any of the representations and warranties set out in this clause 4 is a breach of this deed.

### 4.4 Survival of representations and warranties

The representations and warranties in this clause 4 survive termination of this deed.

## 5. CONSEQUENCES OF BREACHING THIS DEED

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- (a) If the Holder or the Controller breaches this deed (a **Defaulting Party**), each of the following applies:
  - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach; and
  - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Defaulting Party's Escrow Securities (this is in addition to other rights and remedies of the Company).
- (b) If the Holder or the Controller breach this deed, the Holder and the Controller each acknowledge and agree that such a breach could cause substantial commercial and financial detriment to the Company and other third parties.
- (c) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 or clause 2.2 and each of the Holder and the Controller agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the obligations of the Holder or the Controller under clause 2.1 or clause 2.2 without proof of actual damage and without prejudice to any of its other rights or remedies.

## 6. AMENDMENT

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This deed may not be amended without the prior written consent of the parties.

## ESCROW DEED

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### 7. GENERAL

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#### 7.1 Governing law and jurisdiction

- (a) This deed is governed by the laws of Victoria.
- (b) Each party irrevocably submits to the non exclusive jurisdiction of courts exercising jurisdiction in Victoria and courts of appeal from them in respect of any proceedings arising out of or in connection with this deed. Each party irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

#### 7.2 Counterparts

This deed may be executed in any number of counterparts.

#### 7.3 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

#### 7.4 Notices

A notice is regarded as given by a party to another party, at the time of:

- (a) delivery of that notice to the address of the other party; or
- (b) by sending an email to the email address specified in the address of that other party, unless in the case of a transmission by email:
  - (c) the machine from which that notice is transmitted indicates a malfunction in that transmission;
  - (d) that other party gives notice within the next Business Day, to the first-mentioned party of an incomplete transmission to that other party of the notice of the first-mentioned party; or
  - (e) that notice is transmitted, other than during Business Hours, in which case, that notice is regarded as given by that party at the beginning of the next Business Hour.

#### 7.5 Time of Essence

Time is of the essence to this deed.

**ESCROW DEED**

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**Schedule 1    Details**

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Item 1	Holder	
Item 2	Controller	
Item 3	Controller Interest	
Item 4	Escrow Period	
Item 5	Escrow Securities	

**ESCROW DEED**

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**Signing Page**

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**Executed** as a deed on

**Holder**

**#signing block to be inserted#**

**Controller**

**#signing block to be inserted#**

**Company**

**EXECUTED** by **PayGroup Limited (ACN 620 435 038)** in accordance with section 127 of the *Corporations Act 2001* (Cth):

.....  
Signature of Director

.....  
Signature of Director / Company Secretary  
(Please delete as applicable)

.....  
Name of Director  
(Please print)

.....  
Name of Director / Company Secretary  
(Please print)

Annexure B