

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

**Notice of initial substantial holder**

To Company Name/Scheme OnCard International Limited

ACN/ARSN 048 800 902

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

Name OnCard International Limited

ACN/ARSN (if applicable) 048 800 902

The holder became a substantial holder on 28 January 2015

**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	16,147,047	16,147,047	9.25%

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Michael Piperoglou	Holder of the shares	6,804,177 fully paid ordinary shares
Narlack Pty Ltd ATF Piperoglou Pension Fund ACN 006 837 065	Holder of the shares	9,342,870 fully paid ordinary shares

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Michael Piperoglou	Michael Piperoglou	Michael Piperoglou	6,804,177 fully paid ordinary shares
Narlack Pty Ltd ATF Piperoglou Pension Fund ACN 006 837 065	Narlack Pty Ltd ATF Piperoglou Pension Fund ACN 006 837 065	Narlack Pty Ltd ATF Piperoglou Pension Fund ACN 006 837 065	9,342,870 fully paid ordinary shares

**5. Consideration**

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
N/A		Cash	Non-cash	

**6. Associates**

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

Name and ACN/ARSN (if applicable)	Nature of association
Michael Piperoglou	The substantial holder and associate have entered into a relevant agreement in relation to the conduct of the affairs of the company, including the making of a distribution to shareholders by way of capital return and dividend. Annexure A sets out a copy of this agreement.
Narlack Pty Ltd ATF Piperoglou Pension Fund ACN 006 837 065	As above.

**7. Addresses**

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

Name	Address
Michael Piperoglou	790 Burwood Road, Hawthorn East VIC 3123
Narlack Pty Ltd	790 Burwood Road, Hawthorn East VIC 3123

**Signature**

print name



capacity Director

sign here



date 2/02/2015


**DIRECTIONS**

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

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

# Annexure A

This is annexure A of 13 pages (including this page) referred to in the form 603 – notice of initial substantial holder relating to OnCard International Limited 048 800 902 signed by me and dated 2 February 2015



Signature



Print name

## **Capital return implementation deed**

This deed is made on 28 January 2015

between: **OnCard International Limited ACN 084 800 902 (Company)**

**Address:** Level 7, 550 Bourke Street, Melbourne, Victoria, 3000  
**Attention:** Chairman

and: **Michael Piperoglou (Michael Piperoglou)**

**Address:** 790 Burwood Road, Hawthorn East, Victoria, 3123

and: **Narlack Pty Ltd (ACN 006 837 065) (Narlack)**

**Address:** 790 Burwood Road, Hawthorn East, Victoria, 3123  
**Attention:** Mr Michael Piperoglou

## **Operative provisions**

### **1. Definitions**

In this deed, unless the context otherwise requires:

**Announcement** means the draft ASX announcement set out in schedule 1;

**ASX** means ASX Limited;

**ASX Listing Rules** means the listing rules of ASX;

**Business Day** means a day which is not a Saturday, Sunday, bank holiday or public holiday in Melbourne;

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

**Proposed Announcement Date** means 28 January 2015;

**Requisitioned Meeting** means the general meeting of the Company that has been convened to be held on 13 February 2015 at the request of Michael Piperoglou and Narlack to consider proposed resolutions to remove all of the existing directors of the Company and to appoint in their place Vasilios Piperoglou, Peter Abotomey and Ronald Holzer and any adjourned or postponed meeting of that meeting;

**Taverners Group Entity** means CI No.2 Pty Ltd ACN 114 230 509.

### **2. ASX announcement**

Subject to the Company receiving on the Proposed Announcement Date:

- (a) this deed duly executed by each other party (in one or more counterparts);

- (b) a document in a form acceptable to the Company duly executed by each of Vasilios Piperoglou, Peter Abotomey and Ronald Holzer whereby he
  - (1) withdraws his candidacy for appointment as a director of the Company to be considered at the Requisitioned Meeting;
  - (2) withdraws his consent to act as a director of the Company given to the Company on 15 December 2014; and
  - (3) agrees that the Requisitioned Meeting may be cancelled (or postponed indefinitely until further notice) and not held as planned or at all, and undertakes not to exercise any right or otherwise to seek to reconvene and hold the Requisitioned Meeting or to recover from the Company any expenses incurred, in consequence of the cancellation (or indefinite postponement) of the Requisitioned Meeting, whether under section 249E of the Corporations Act or otherwise; and
- (c) irrevocable appointment of proxies in the form of the draft appointments set out in schedule 2 duly completed and executed by the Taverners Group Entity;

the Company undertakes that it will make an announcement to ASX on the Proposed Announcement Date in the form of the Announcement.

### 3. Implementation and reimbursement of costs

Subject to:

- (a) the Company making an announcement to ASX in the form of the Announcement; and
- (b) satisfaction of the requirements set out in clause 2(a) and 2(b);

the Company undertakes that:

- (c) it will cause a dividend to be paid as contemplated in the Announcement and convene a general meeting of the Company by mid-April 2015 to consider a resolution to approve a return of capital to its shareholders to the extent necessary to make the distribution as announced (**Capital Return Resolution**) and, if approved, to finalise the distribution as soon as reasonably practicable after the approval is obtained;
- (d) should it not be able to proceed with calling a meeting to consider the Capital Return Resolution it will use its best endeavours to cause the Company to be wound up and for the assets of the Company to be liquidated and to be distributed to the shareholders of the Company, unless not required by Michael Piperoglou and/or Narlack in their absolute discretion;
- (e) it will not without the prior written consent of Michael Piperoglou and/or Narlack (which may be withheld in their absolute discretion), between the date of this deed and the Company paying the dividend and undertaking the capital return as contemplated in the in the Announcement either:

- (1) enter into any agreement that could impact on its ability to pay such funds;  
or
- (2) issue any shares or other securities in the Company; and
- (f) it will reimburse Michael Piperoglou and/or Narlack for their reasonable legal costs reasonably incurred in relation to the Requisitioned Meeting in the amount of \$50,000 plus GST within 2 business days receiving a copy of a tax invoice from their lawyer issued to Michael Piperoglou. The Company acknowledges that because of the confidential nature of the information included in lawyer's tax invoices, the tax invoice will not include any details of rates charged, time spent or disbursements incurred and that it will state only that an aggregate fee of \$50,000 plus GST is payable for services provided.

#### **4. Withdrawal of requisition**

Subject to, and with effect upon:

- (a) the Company making an announcement to ASX in the form of the draft ASX announcement set out in schedule 1;
- (b) the Taverners Group Entity providing to the Company duly completed and executed irrevocable appointments of proxies in the form of the draft appointment set out in schedule 2, and copies being emailed to Ronald Holzer at 'ron@axialadvisory.com.au';

Michael Piperoglou and Narlack:

- (c) withdraw their request made to the Company on 15 December 2014 for the Requisitioned Meeting to be held;
- (d) withdraw their notice of intention to the Company given on 15 December 2014 to move resolutions at the Requisitioned Meeting to remove the directors of the Company; and
- (e) agree that the Requisitioned Meeting may be cancelled (or postponed indefinitely until further notice) and not held as planned or at all, and undertake not to exercise any right or otherwise to seek to reconvene and hold the Requisitioned Meeting or to recover from the Company any expenses incurred, in consequence of the cancellation (or indefinite postponement) of the Requisitioned Meeting, whether under section 249E of the Corporations Act or otherwise, except as set out in this deed.

#### **5. General**

##### **5.1 Governing law and jurisdiction**

This deed is governed by the laws of Victoria. The parties submit to the non-exclusive jurisdiction of the courts exercising jurisdiction there.

**5.2 Amendment**

The parties may only amend this deed if each party signs the written amendment.

**5.3 Waiver**

A provision of this deed or a right created under it may not be waived except in writing signed by the party granting the waiver.

**5.4 Counterparts**

The parties may execute this deed in two or more counterparts and all counterparts together constitute one instrument.

**5.5 Entire agreement**

This deed constitutes the entire agreement of the parties in respect of the subject matter of this deed and supersedes all prior discussions, undertakings and agreements.

**5.6 Further assurances**

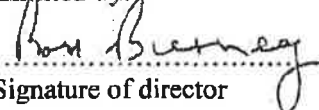
Each party must, at its own expense, do everything reasonably necessary to give effect to this deed and the transactions contemplated by it, including without limitation the execution of documents.

**5.7 Relationship**

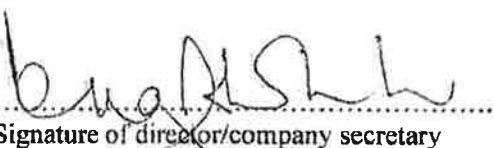
Nothing in this deed constitutes the parties as partners or agents of the other and no party has any authority to bind the other legally or equitably except as expressly stated in this deed.

**Executed as a deed**

**Executed by OnCard International  
Limited by:**

  
Signature of director

Ross Burney  
Name of director

  
Signature of director/company secretary

DOUGLAS ROBERTSON  
Name of director/company secretary

Signed sealed and delivered by Michael  
Piperoglou in the presence of:

)  
)  
)

Signature

Signature of witness

VASILIOS PIPEROULOU

Name of witness

Executed by Narlack Pty Ltd by:

Signature of director

LEMONIA PIPEROULOU

Name of director

Signature of director/company secretary

Name of director/company secretary



## Schedule 1 Draft ASX announcement



OnCard International Limited  
ACN 084 800 902  
GPO Box 2394  
Melbourne 3001 Australia  
Level 7, 550 Bourke Street  
Melbourne 3000 Australia  
Tel: + 61 3 9642 3812

28 January 2015

Via ASX Online  
ASX Market Announcements Office  
ASX Limited  
Level 4, 20 Bridge Street  
Sydney NSW 2000

### Proposed distribution

The board of directors of OnCard International Limited (OnCard or Company) is pleased to announce that the Company will seek shareholder approval to distribute to shareholders all funds surplus to its needs. As the expected cash backing per share is currently estimated to be between \$0.31 and \$0.32, the board considers that the Company will be able to return \$0.30 per share to shareholders. While the composition of the proposed distribution has yet to be finalised, it is likely to be by way of return of capital of \$0.21 per share and by way of unfranked dividend of \$0.09 per share.

### Dividend

The amount of, and record date for, the dividend will be announced promptly after completion of the Company's audited financial statements for the year ended 31 December 2014 and will be paid as soon as reasonably practicable thereafter.

### Capital return

OnCard will proceed with the capital return, subject to:

- (a) the audited financial statements of the Company for the year ended 31 December 2014 confirming that the net assets and cash reserves of the Company as at 31 December 2014 are sufficient to make the capital return;
- (b) there being no material adverse change in the financial position or financial performance of the Company after the date of this announcement; and
- (c) the satisfaction of necessary legal requirements in relation to the capital return.

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In respect of paragraph (a) above, as the Company's principal assets are cash and hybrids, the board does not expect that any matters will arise in completion of the relevant accounts that would prevent the Company from undertaking the capital return in the amount of the expected \$0.21 per share.

In accordance with section 256C of the Corporations Act, to complete the capital return the Company will need the approval of shareholders. Accordingly the Company will convene a general meeting of the Company to seek the approval of shareholders to the return of capital by mid-April 2015. Provided that shareholders approve the capital return the Company will pay the \$0.21 capital return to shareholders as soon as reasonably practicable thereafter.

Shareholders should note that:

1. All directors of the Company support the proposed capital return, and will vote the shares in the Company that they own or control in favour of the capital return.
2. Taverners Group, which has a relevant interest in over 32% of the issued shares in the Company, has informed the Company that it also supports the proposed distribution and has provided an irrevocable proxy to vote the shares it owns or controls in favour of the capital return.
3. Michael Piperoglou and his company Narlack Pty Ltd which own, in aggregate, 9.22% of the issued Shares in the Company have informed the Company that they will vote in favour of the capital return.

#### Remaining assets

After the distribution of the expected \$0.30 per share to shareholders, the directors will investigate whether the residual OnCard has potential value for other investment opportunities. If proposals are received by the Company which the board believes are in the best interest of shareholders, they will be presented to shareholders for them to be offered the opportunity to vote on the proposal and to re-invest into the Company.

If no other proposals are received then the board will seek to wind up the Company and return the balance of the Company's cash to shareholders.

#### Requisitioned Meeting

The Company has reached an agreement with Michael Piperoglou and his company Narlack Pty Ltd (**Piperoglou Shareholders**) who requisitioned the general meeting (**Requisitioned Meeting**) of the Company that has been convened to be held on 13 February 2015 to consider resolutions to remove all of the existing directors of the Company and to appoint in their place Vasilios Piperoglou, Peter Abotomey and Ronald Holzer. The key terms of the agreement are as follows:

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1. In consequence of the Company making this announcement, the Piperoglou Shareholders have withdrawn their request for the Requisitioned Meeting to be held, and Vasilios Piperoglou, Peter Abotomey and Ronald Holzer have withdrawn their candidacy for appointment, and their consents to act, as directors of the Company.
2. The Company will convene a general meeting of the Company to seek the approval of shareholders to the return of capital by mid-April 2015 and, if approved, will finalise the proposed distribution as soon as reasonably practicable thereafter.

In view of this, holding the requisitioned meeting would now have no utility and, therefore, the board of directors of OnCard has determined to postpone the meeting indefinitely until further notice in accordance with regulation 12.2 of the Company's constitution.

Notice of the postponement will be sent to shareholders shortly.

If you have a query about any matter covered by this announcement, please contact the Company's managing director, Tony Robinson, on 0407 355 616 for a response.

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## Schedule 2

### Taverners Group irrevocable appointment of proxy

#### ONCARD INTERNATIONAL LIMITED (ACN 084 800 902) SHAREHOLDER PROXY FORM

I/We, **ONCARD PTY LTD ACN 114 230 509**

of Level 31, 367 Collins Street, Melbourne, Victoria, 3000

being a shareholder/shareholders of OnCard International Limited (Company) hereby appoint the chairman of the meeting to represent all of my/our voting rights as my/our proxy at a general meeting of the Company that is held on or before 31 May 2015 (and at any adjournment or postponement of that meeting) that includes consideration of a resolution to approve a return of capital to the shareholders of the Company in the order of \$0.21 per share in order to vote on my/our behalf in relation to the proposed return of capital resolution and any related resolution (which, to avoid doubt, includes any resolution the approval of which is necessary for the Company to return capital to the shareholders of the Company in the order of \$0.21 per share) (together the Capital Reduction Resolutions).

I/We direct my/our proxy to vote in favour of the proposed Capital Reduction Resolutions.

I/We reserve the right to appoint the chairman of the meeting or any other person to represent any or all of my/our voting rights as my/our proxy at such a general meeting to vote on my/our behalf in relation to any resolution which is not a Capital Reduction Resolution as I/we may direct or at the proxy's discretion or otherwise to act generally on my/our behalf at the meeting.

I/We hereby undertake (a) not to make any other appointment of proxy, representative or attorney in relation to my/our powers at or in respect of the Capital Reduction Resolutions (b) not to revoke or vary this deed, or any appointment, voting direction, revocation or undertaking made under this deed, and hereby declare that this deed, and the appointment, voting direction, revocation and undertakings under this deed, are irrevocable (c) not to transfer any shares I/We hold in the Company until the earlier of the close of the meeting which is held to consider the Capital Reduction Resolutions and 31 May 2015.

Executed as a deed on... January 2015

\* Security holder 1

Signature
Print full name

\* Director/sole director and sole company secretary

\* Delete if (or whichever is) inapplicable

\* Security holder 2

Signature
Print full name

\* Director/company secretary

\* Security holder 3

Signature
Print full name

\* Sole director (no company secretary)

If this form is signed on behalf of a security holder under power of attorney, each attorney states that he or she has not received any notice of revocation of the power of attorney by death of the grantor or otherwise. If this form is signed by a security holder that is a company each person signing certifies that he or she holds the office of director of the company or such other office with the company as shown and is authorised to complete and sign this form for the company, and if only one person signs, he or she is the sole director and sole company secretary of the company unless expressly stated otherwise. Where a person signs just as sole director of the company, he or she certifies that the company does not have a company secretary.

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**Notes:**

1. **Complete and sign where indicated above.**
2. **For information on where and how to lodge this proxy form and the deadline for lodgment, please refer to the notes to the notice of meeting which accompanies this form.**
3. **A company may sign by 2 directors or a director and secretary or, for a proprietary company that has a sole director who is also the sole company secretary (or that does not have a company secretary), that director.**

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**ONCARD INTERNATIONAL LIMITED (ACN 084 800 902)**  
**SHAREHOLDER PROXY FORM**

I/We, C1 No.2 Pty Ltd ACN 114 230 509

of Level 31, 367 Collins Street, Melbourne, Victoria, 3000

being a shareholder/shareholders of OnCard International Limited (Company) hereby appoint the chairman of the meeting to represent all of my/our voting rights as my/our proxy at a general meeting of the Company that is held on or before 30 September 2015 (and at any adjournment or postponement of that meeting) that includes consideration of a resolution to wind up the Company and any related resolution (which, to avoid doubt, includes any resolution the approval of which is necessary for the Company to be wound up) (together the Wind Up Resolutions).

I/We direct my/our proxy to vote in favour of the proposed Wind Up Resolutions.

I/We reserve the right to appoint the chairman of the meeting or any other person to represent any or all of my/our voting rights as my/our proxy at such a general meeting to vote on my/our behalf in relation to any resolution which is not a Capital Reduction Resolution as I/We may direct or at the proxy's discretion or otherwise to act generally on my/our behalf at the meeting.

I/We hereby undertake (a) not to make any other appointment of proxy, representative or attorney in relation to my/our powers at or in respect of the Wind Up Resolutions (b) not to revoke or vary this deed, or any appointment, voting direction, revocation or undertaking made under this deed, and hereby declare that this deed, and the appointment, voting direction, revocation and undertakings under this deed, are irrevocable (c) not to transfer any shares I/We hold in the Company until the earlier of close of the meeting at which the Capital Reduction Resolutions (as defined in the other shareholder proxy form by me/us dated on or about this date of this form) are considered, the close of the meeting which is held to consider the Wind Up Resolutions and 30 September 2015.

Executed as a deed on... January 2015

\*Security holder 1

Signature
Print full name

\*Director/sole director and sole company secretary

\*Security holder 2

Signature
Print full name

\*Director/company secretary

\*Security holder 3

Signature
Print full name

\*Sole director (no company secretary)

\*Delete if (or whichever is) inapplicable

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