



## ASX Announcement

### *Dividend and Dividend Reinvestment Plan*

**9 March 2016**

#### **2015 Final Dividend & Dividend Reinvestment Plan**

Following on from the results announcement of 16 February 2015, the board of directors of Reckon Limited resolved today to declare a dividend of 3.00 cents (three cents) per share (0% franked) payable to shareholders who are recorded on the Company's Register as at the record date of 17 March 2016, in accordance with the following timetable:

Timetable*	
Event	Date
Declaration of dividend	9 March 2016
Trading ex	16 March 2016
Record Date	17 March 2016
Payment Date	6 April 2016

\* The timing of events may be subject to change. Changes will be notified to the ASX.

The ordinary dividend/distribution conduit foreign income amount per share is \$0.00 (zero dollars).

Also as announced on 16 February 2016, the board has now implemented a dividend reinvestment plan. The letter to shareholders, sample election form and plan rules are attached to this announcement. Full details of the plan rules are also available at the Shareholder Centre at <http://www.reckon.com.au/aboutus>.

For the purposes of this dividend, if you choose to participate, your election form must be received no later than 5:00 pm AEST on 24 March 2016. It is intended to issue shares under the plan to participating shareholders on 6 April 2016.

The dividend reinvestment plan is not underwritten, **but please note that the directors of the Company who are also shareholders of the Company have committed to participate in the plan.**

For further information, please contact:

Mr Clive Rabie  
Group CEO  
Reckon Limited  
(02) 9577 5946

Mr Chris Hagglund  
CFO  
Reckon Limited  
(02) 9577 5414



**Reckon**<sup>®</sup>

ABN 14 003 348 730

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MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

9 March 2016

Dear Shareholder

### **OPPORTUNITY TO PARTICIPATE IN THE RECKON LIMITED DIVIDEND REINVESTMENT PLAN**

The directors of Reckon Limited (**Company**) are pleased to present you with the opportunity to participate in the Company's Dividend Reinvestment Plan (**DRP**).

The **DRP** allows you to increase your shareholding in the Company by reinvesting all or part of your dividend in acquiring additional shares in the Company (each a **DRP Share**), at a price that may be at a discount to the VWAP Price (as defined in the **DRP rules (Rules)**), and otherwise will be issued to you without any charge for brokerage, commission and other related costs. The rate of discount, and the period used for the calculation of VWAP Price, may be varied from time to time by the board of directors of the Company. Any such variation will be publicly disclosed prior to the Record Date (as defined by the ASX Listing Rules) for the relevant dividend in accordance with the Rules.

For the purposes of the dividend declared by the Company on 9 March 2016, the price will be a 12.5% discount to the VWAP Price for the period of 7 Trading Days commencing on the date that is 2 Trading Days after the Record Date for that Dividend.

You now have three options when you receive a Company dividend:

- (a) receive cash for the full amount of your dividend;
- (b) elect to participate in the **DRP** and reinvest the **full** amount of the dividend in acquiring additional shares; or
- (c) elect to participate in the **DRP** and reinvest **part** of the dividend in acquiring additional shares and receive the rest in cash.

Unless you have previously made an election to the contrary, to receive the full amount of your dividend in cash you are not required to do anything further. However, should you wish to participate in the **DRP** and reinvest all or part of your dividend in acquiring additional **DRP Shares**, you will need to complete and return the enclosed Application Form accordingly. Alternatively, elections can be made online via the Company's share registry, Computershare at [www.investorcentre.com](http://www.investorcentre.com). The share registry also accepts faxed documents at + 61 3 9473 2500.

For the purposes of the dividend declared on 9 March 2016, your election must be received no later than 5:00 pm AEST on 24 March 2016 to participate in the **DRP**.

If you wish to vary or terminate such election, you can do so by completing and returning the enclosed Variation Notice or via the website [www.investorcentre.com](http://www.investorcentre.com).

Participation in the DRP is voluntary and you can vary or terminate your participation in the DRP at any time.

The main features and the terms and conditions of the DRP are outlined in the Rules, a copy of which is available on the Reckon website at <http://www.reckon.com.au/aboutus/default.aspx> and click on "Shareholder Centre" and at the share registry website at [www.investorcentre.com](http://www.investorcentre.com).

On behalf of the board, I invite you to participate in the DRP by completing and returning the enclosed Application Form or by visiting the website [www.investorcentre.com](http://www.investorcentre.com).

Please take the time to read this letter and the Rules carefully and seek your own investment or taxation advice if needed. If you have any further questions in relation to the operation of the DRP, please do not hesitate to phone the Company's share registry, 1300 850 505 (within Australia); +61 3 9415 5000 (outside Australia).

**Please note that the directors of the Company who are also shareholders of the Company have committed to participate in the DRP.**

I look forward to your continuing support of the Company.

Yours faithfully

A handwritten signature in black ink, appearing to read "Ian Ferrier". The signature is written in a cursive, flowing style.

Ian Ferrier  
Chairman



Reckon®

ABN 14 003 348 730

Return your information:



Online:

www.investorcentre.com/contact



By Mail:

Computershare Investor Services Pty Limited  
GPO Box 2975 Melbourne  
Victoria 3001 Australia

Enquiries:

(within Australia) 1300 850 505  
(international) +61 3 9415 4000

Securityholder Reference Number (SRN)

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MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

SRN WITHHELD DEC

For your security keep your SRN/HIN confidential. ....

Dividend Reinvestment Plan

Use a black pen.  
Print in CAPITAL letters  
inside the grey areas.

A B C

1 2 3

Where a choice is required,  
mark the box with an 'X'

X

A Dividend Reinvestment Plan (DRP)



ALL

Please mark this box with an 'X' if you wish all of your holding to participate in the company's DRP.



PART

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Show the number of securities you wish to participate in the company's DRP.



TERMINATION

I/We no longer wish to participate in the company's DRP. Mark the box with an 'X' only if you already participate in the DRP and wish to cancel your participation.

B Sign Here - This section must be signed for your instructions to be executed.

I/We authorise you to act in accordance with my/our instructions set out above. I/We acknowledge that these instructions supersede and have priority over all previous instructions in respect to my/our securities. Where I/we have indicated participation in the DRP, I/we hereby agree to be bound by the Terms and Conditions of the DRP. I/We acknowledge that I/we may vary or terminate my/our participation in the DRP, in accordance with the rules of the DRP.

Individual or Securityholder 1

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Director

Securityholder 2

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Director/Company Secretary

Securityholder 3

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Sole Director and Sole Company Secretary

Note: When signed under Power of Attorney, the attorney states that they have not received a notice of revocation. Computershare Investor Services Pty Limited needs to sight a certified copy of the Power of Attorney.

Date - Day Month Year

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How to complete this form

**A**

### Dividend Reinvestment Plan (DRP)

Complete this section if you wish to have your cash dividends reinvested in the form of more company securities.

If you wish to reinvest part of your securities in the company's **DRP**, please show the amount in figures that you wish to participate.

Please note that an election to participate fully in the **DRP** will override any instruction on the registry record regarding direct payment of cash dividends into a nominated account.

If you no longer wish to participate in the company's **DRP**, mark the termination box on the front of this form with an 'X'.

This instruction only applies to the specific holding identified by the **SRN/HIN** and the name appearing on the front of this form.

**B**

### Signature(s)

If you have chosen to have your cash dividends fully or partially reinvested into company securities and you have completed Section A, you must sign this form as follows in the spaces provided:-

Joint Holding:	where the holding is in more than one name, all of the securityholders must sign.
Power of Attorney:	to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies:	where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Please return the completed form to:

Computershare Investor Services Pty Limited  
GPO Box 2975  
Melbourne VIC 3001  
Australia

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The **DRP** allows **Shareholders** to reinvest all or part of any dividend paid on their **Shares** in additional **Shares** instead of receiving the dividend in cash. Participation in the **DRP** is entirely optional. The **DRP** is administered in accordance with these **Rules**.

It is important that you read these **Rules** carefully before deciding whether to participate in the **DRP**. If you have any questions or need advice on whether you should participate in the **DRP**, please contact an independent professional adviser.

## **Rules of the Dividend Reinvestment Plan for the shareholders of Reckon Limited**

**ACN 003 348 730**

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### **1. Interpretation**

The following words have these meanings in these **Rules**, unless the contrary intention appears:

**Application Form** means the form of application (as approved by the Directors from time to time) to participate in the Plan in respect of a particular shareholding account.

**ASX** means ASX Limited ABN 98 008 624 691 or Australian Securities Exchange as appropriate.

**Business Day** means any day other than a Saturday, Sunday, or a bank holiday or a public holiday in New South Wales, Australia.

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

**Company** means Reckon Limited ACN 003 348 730.

**Constitution** means the constitution, or equivalent constitutional documents, of the Company, as amended from time to time.

**Directors** mean those persons who have been duly appointed to, and retain, the office of a director of the Company at any time and from time to time.

**Dividend** means a cash dividend or cash component of a dividend paid by the Company.

**DRP** means the Reckon Limited Dividend Reinvestment Plan implemented and maintained by the Company pursuant to the Constitution and these **Rules**.

**Election Date** has the meaning given to that term in paragraph 4.3(a).

**Eligible Member** means a person (or persons in the case of a joint shareholding) registered as the holder of one or more **Shares** other than a person with a registered address in any place or jurisdiction where participation, or the making of an offer or invitation to participate, in the Plan would, in the reasonable opinion of the Board, be unlawful, impractical, impossible or require the issue by or on behalf of the Company of a prospectus or equivalent disclosure document or comply with any other substantive practical requirement under overseas law.

**Listing Rules** means the rules, guidance notes, appendices and other documentation that are required by ASX to be observed and performed by any entity that seeks to effect or maintain the official quotation of any or all of its issued securities on any market operated by ASX, and any amendments to those rules as published at any time and from time to time.

**Participant** means an Eligible Member whose application to participate in the Plan in respect of a particular shareholding account has been accepted by the Board, and not effectively withdrawn by, or on behalf of, that Eligible Member.

**Plan** means the Dividend Reinvestment Plan for the shareholders of the Company, the terms and conditions of which are set out in these Rules and which are subject to the Constitution.

**Plan Shares** mean the Shares in a particular shareholding account which are designated by a Participant in accordance with the provisions of clause 3.1, as those Shares the dividend on which is to be applied for the purpose of subscribing for Shares under the Plan.

**Record Date** has the same meaning as that term is defined in the Listing Rules.

**Rules** means these Rules as may be modified at any time and from time to time pursuant to clause 8.

**Shares** mean fully paid ordinary shares in the capital of the Company and any other class of shares or securities in the Company that the Board may from time to time determine to be “Shares” for the purposes of these Rules.

**Trading Day** has the same meaning as that term is defined in the Listing Rules.

**Variation Notice** means a written notice signed by an Eligible Member, or each Eligible Member in the case of a joint shareholding (as approved by the Board from time to time), that notifies the Company of:

- (a) an increase or decrease in the number of the Participant's Plan Shares; or
- (b) if permitted, the withdrawal of the Participant from participating in the Plan.

**VWAP Price** means, for any Dividend, the average of each Trading Day's volume weighted average price (expressed in terms of cents and with fractions of cents rounded down to the nearest full cent) of all the Shares sold on the ASX during:

- (a) the period of 7 Trading Days commencing on the date 2 Trading Days after the Record Date for that Dividend; or
- (b) such other period determined by the Board and notified to ASX prior to the Record Date for that Dividend.

A reference to a person includes a corporation and the singular includes the plural and vice versa.

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## **2. Applications to Participate in the Plan**

- 2.1 The Company may from time to time invite any Eligible Member to participate in the Plan.
- 2.2 Participation in the Plan is optional and not transferable and is subject to these Rules.
- 2.3 Every Eligible Member who wishes to participate in the Plan must lodge an Application Form duly signed by that Eligible Member with the Company.

- 2.4 All joint holders of Shares must sign an Application Form for it to be valid.
- 2.5 An Application Form must be lodged for each shareholding account in respect of which the Eligible Member wishes to participate in the Plan.
- 2.6 Each shareholding account of an Eligible Member that is the subject of a lodgement referred to in clause 2.5 will be treated separately for all purposes under the Plan.
- 2.7 If, in the reasonable opinion of the Board, the issue or transfer of the Plan Shares by the Company or the holding of those Plan Shares by the relevant Participant may breach any provisions of any applicable law or is otherwise in the sole opinion of the Board undesirable or impractical, the Board may at any time and from time to time:
- (a) decline to issue or transfer Shares under the Plan;
  - (b) reduce the issue or transfer of Shares under the Plan on a proportionate basis; and/or
  - (c) reduce or suspend the participation in the Plan by any Participant.

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### **3. Degree of Participation**

- 3.1 An Eligible Member must specify on each Application Form the degree to which the Eligible Member wishes to participate in the Plan in respect of the nominated shareholding account. Participation may be either:
- (a) full participation for all the Participant's Shares in the nominated shareholding account from time to time however acquired (including Shares issued under the Plan); or
  - (b) partial participation for a specific number or percentage of Shares in the nominated shareholding account and as nominated by the Participant (including, in addition, Shares issued under the Plan). However, if at the Record Date for a Dividend, the number of Shares held by the Participant is fewer than the nominated number, then the Plan will apply only to that lesser number of Shares for that Dividend.
- 3.2 Application Forms received by the Company which do not indicate the shareholding account to which the notice applies or the degree of participation in the Plan to the satisfaction of the Board will, without notice to the Eligible Member who has lodged that Application Form, be deemed to be an application for full participation in the Plan for all shareholding accounts of that Eligible Member.
- 3.3 If:
- (a) an Eligible Member specifies on the Application Form that it wishes to partially participate in the Plan and nominates a specific percentage of Shares; and
  - (b) using that percentage, the number of Shares is not a whole number,
- the number of Plan Shares that will be deemed to be the subject of that Application Form will be the nearest whole number of Shares above the number of Shares calculated using that specified percentage.

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### **4. Acceptance of Applications**

- 4.1 The Board may in its absolute discretion accept or refuse any Application Form, in whole or in part, without being bound to give any reason for doing so.



- 4.2 If the Board refuses to accept an Application Form pursuant to clause 4.1, the Company must notify the Eligible Member that the Application Form has not been accepted, either in whole or in part, as applicable.
- 4.3 Each Application Form accepted by the Board will be effective in respect of:
- (a) the first Dividend payment after receipt of the Application Form, provided it is received on or before the first Business Day after the Record Date for that Dividend or such later date as may be set by the Board and advised to the market (**Election Date**); and
  - (b) every Dividend thereafter, unless and until superseded by a Variation Notice, or the Plan has been suspended or terminated.
- 4.4 The Company will record for each shareholding account of each Participant, particulars of:
- (a) the name and address of the Participant; and
  - (b) the number of Plan Shares held by the Participant from time to time,
- and the Company's records will be conclusive evidence of the matters so recorded.

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## **5. Application of Dividends**

- 5.1 Dividends on Plan Shares will be applied by the Board on the Participant's behalf in subscribing for further Shares in accordance with these Rules. Any Dividends on Plan Shares which the Company is entitled to retain under its Constitution or otherwise will not be available for subscribing for Shares. If withholding tax is payable in respect of a Dividend, that tax will be deducted and only the balance of that Dividend will be applied in subscribing for Shares in accordance with these Rules.
- 5.2 The Company will establish and maintain a Plan account for each shareholding account of each Participant. At the time of each Dividend payment, the Board will, in respect of each shareholding account of each Participant:
- (a) determine the Dividend payable in respect of the Plan Shares that are recorded in that shareholding account;
  - (b) determine (where applicable) the withholding tax deductible by the Company in respect of that Dividend, and any other sum the Company is entitled or required by applicable law to retain in respect of that Dividend and the Plan Shares that are recorded in that shareholding account;
  - (c) credit the dollar amount in clause 5.2(a) and debit any dollar amount in clause 5.2(b), each to the Participant's applicable Plan shareholding account;
  - (d) determine the maximum whole number of Shares which can be acquired under these Rules by the Participant and by using the amount in the Participant's applicable Plan shareholding account;
  - (e) subscribe for Shares on behalf of and in the name of the Participant and debit the subscription amount against the balance in the Participant's applicable Plan shareholding account; and
  - (f) issue the number of Shares determined under clause 5.2(d).

- 5.3 The number of Shares issued to each Participant will be the whole number equal to, or when not a whole number, the nearest whole number above the number calculated by the formula:

$$\frac{D - T}{C}$$

where:

- D** is the Dividend payable on the Participant's Plan Shares recorded in a Plan shareholding account of that Participant as at the Record Date for that Dividend;
- T** is any withholding tax or other sum the Company is entitled to retain in relation to the Dividend or the Participant's Plan Shares, as each are referred to in the above stated meaning of the symbol D; and
- C** is an amount which is 87.5% (or such other percentage amount determined by the Board and notified to ASX prior to the Record Date for the relevant Dividend) of the VWAP Price.

- 5.4 Shares will not be issued under the Plan if the issue would breach any provision of the Company's Constitution or any applicable law that the Company, any Director or any other officer, employee, agent or adviser of the Company, is obliged to satisfy or comply with.

- 5.5 As soon as practicable after each issue of Shares under the Plan, the Company will send to each Participant, and in respect of each shareholding account, a statement setting out:

- (a) the number of the Participant's Plan Shares participating in the relevant Dividend;
- (b) the dollar amount of the Dividend payable in respect of that Participant's Plan Shares which has been applied toward subscription for additional Shares;
- (c) the amount of any withholding tax or other sum that the Company has retained from the Dividend otherwise payable in respect of that Participant's Plan Shares;
- (d) the number, issue price and issue date of additional Shares issued to that Participant under the Plan; and
- (e) the number of Shares (including Plan Shares) in respect of which that Participant is the registered holder immediately after completion of the issue referred to in clause 5.5(d).

- 5.6 All Shares issued under the Plan will, from the date of their issue, rank equally in all respects with existing Shares.

- 5.7 Shares issued under the Plan will be issued within the time required by the Listing Rules.

- 5.8 Shares issued to a Participant under the Plan will be registered:

- (a) if the Plan Shares already held by the Participant are registered on one register - on that register; or
- (b) if the Plan Shares already held by that Participant are registered on more than one register - on the register designated by that Participant or, in the absence of such a designation, on the register selected by the Board.

- 5.9 Any selection made by the Company under the provisions of clause 5.8(b) will be notified to the Participant promptly after being made.

- 5.10 The Company will make application promptly after each issue of Shares under the Plan for the official quotation of those Shares on the ASX, if other Shares are able to be traded on the ASX at that time.

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## **6. Underwriting**

Subject to the Listing Rules, the Board may, in its absolute discretion, choose to partially or fully underwrite the DRP in respect of any Dividend with one or more underwriters.

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## **7. Variation or Termination of Participation**

- 7.1 Subject to the provisions of clause 7.2 and clause 7.3, any increase or decrease in the number of Plan Shares of a Participant or the termination of that Participant's participation in the Plan may only be effected by that Participant:
- (a) lodging with the Company a Variation Notice to that effect;
  - (b) where that Variation Notice is in respect of a separate shareholding account of that Participant; and
  - (c) where, in respect of a forthcoming Dividend, the Variation Notice must be received by the Company before the Election Date for that Dividend.
- 7.2 If a Participant disposes of all the Participant's Shares without giving the Company a Variation Notice and is not registered as a holder of any Shares as at the Election Date for a Dividend, the Participant will be deemed to have terminated participation on the date when the Company registered a transfer of the Participant's Shares.
- 7.3 When a Participant disposes of part of the holding of Shares of that Participant, and does not notify the Company otherwise, the Shares disposed of will, to the extent possible, be taken to be:
- (a) first, Shares which are not Plan Shares; and
  - (b) secondly, Plan Shares.
- 7.4 If a Participant dies, participation by that Participant will cease upon receipt by the Company's share registrar of a notice of death in a form acceptable to the Company. To be effective for a forthcoming Dividend, the notice of death must be received by the Company on or before the relevant Election Date. Death of one of two or more joint Participants will not automatically terminate participation.

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## **8. Modification, Suspension and Termination of the Plan**

- 8.1 The Board may vary these Rules, suspend, recommence or terminate the DRP at any time in its absolute discretion. The variation, suspension or termination will take effect upon the date specified by the Board. The Board may give written notice of any such variation, suspension or termination as it considers appropriate.
- 8.2 Whilst the Plan is suspended, Dividends will not be applied in subscribing for Shares under the Plan.
- 8.3 The accidental omission to give notice of modification, suspension or termination to any Participant or the non-receipt of any notice by any Participant will not invalidate the modification, suspension or termination of the Plan.

- 8.4 Any variation, suspension, recommencement or termination of the Plan referred to in this clause 8 does not give rise to any liability on the part of, or right of action against, the Company or its Directors.

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## **9. Administration of the Plan**

This Plan will be administered by the Board who have the power to:

- (a) determine procedures for administration of the Plan consistent with these Rules;
- (b) settle in such manner as they think expedient and appropriate, any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of the Plan whether generally or in relation to any Participant or any Shares and the terms of any such settlement, as determined by the Board, will be conclusive and binding on all Participants and other persons to whom that determination relates; and
- (c) delegate to any one or more persons or committee, for such period and on such conditions as they may determine, the exercise of any of their powers or discretions arising under the Plan.

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## **10. Participants to be Bound**

Participants are at all times bound by these Rules as modified from time to time.

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## **11. Costs to Participants**

Subject to the provisions of clause 12, no brokerage, trading fee, commission or other transaction costs will be payable by Participants in respect of any Shares issued under the Plan.

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## **12. Taxation**

Neither the Company, nor any of its Directors, officers, employees, representatives or agents:

- (a) takes any responsibility or assumes any liability for any taxes or imposts assessed against or imposed on a Participant, whether or not any such liability arises as a direct or indirect consequence of the participation, or the modification or termination of that participation, by the Participant in the Plan; nor
- (b) represents or warrants that a Participant will gain any taxation advantage or will not incur a taxation liability or disadvantage by participating in the Plan.

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## **13. Listing Rules**

The Plan is subject to the Listing Rules and in the event of any inconsistency between the Plan and the Listing Rules, the Listing Rules will apply.

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**14. Other information**

A copy of the Company's most recent annual report and most recent financial statements (and any auditor's report on those financial statements) are available to shareholders free of charge by writing to:

The Company Secretary  
Reckon Limited  
Level 12, 65 Berry Street  
North Sydney NSW 2060

or an electronic copy can be downloaded from the Company's website at  
<http://www.reckon.com.au/aboutus/AnnualReports.aspx>.