

Disclosure Document Relating to Giving of Financial Assistance to Purchase Shares in the Company

(Companies Act 1993, section 78 (5) and 79)

7 November 2018

To: All shareholders of the Company

Introduction

This document is provided to all shareholders of the Company in accordance with the requirements set out in section 79 of the Companies Act 1993 (Companies Act). It sets out details of the Company's intention to make certain interest-free loans (Loans) available to selected eligible persons, being employees, directors and individuals who provide services as independent contractors of or to the Company or its subsidiaries (or associated interests of those persons) (together, Participants) for the purpose of their participation in the Company's share incentive scheme (Scheme).

The provision of the Loans to the Participants in connection with the purchase of Pushpay's shares under the Scheme and the provision of funding to the Trustee in connection with the operation of the Scheme may constitute the giving of financial assistance by the Company for the purposes of the Companies Act.

Share Incentive Scheme

Under the Scheme, Participants are entitled to purchase a number of ordinary shares in Pushpay at the invitation of the Board of Directors of the Company (Incentive Shares). The Company intends to provide Participants with Loans to assist their acquisition of the Incentive Shares.

From time to time, financial assistance may also be provided to Pushpay Trustees Limited in its capacity as the trustee of the Scheme (Trustee) to fund the repurchase of a Participant's interest in the Incentive Shares as contemplated by the Scheme rules, and to operate the Scheme.

The Incentive Shares will initially be held on trust by the Trustee for a specified period. If a Participant leaves the Pushpay group within this period, the Company may direct the Trustee to acquire the Participant's beneficial interest in the Incentive Shares. At the end of the specified period, if the Trustee has not bought back the Participant's beneficial interest in the Incentive Shares and if Participant has fully repaid the amount owed by them under the Loan, legal ownership in those Incentive Shares will transfer to the Participant and they will obtain legal and beneficial ownership of those Incentive Shares. The Loans will be repaid both by bonus payments made by the Company to the Participants as well as repayment by the Participants.

As at the date of this disclosure document, Participants in the Scheme were:

A. Cheng, D. Corbett, C. Dawick, W. Denton, S. Elder, J. Espie, P. Goodman, T. Griffin, A. Henderson, B. Houston, R. Ivanson, M. Kowalew, A. Lal, R. Lott, G. Menzies, R. Patel, J. Phipps, H. Riley, J. Robb, N. Sampson, S. Sampson, J. Spora, B. Tran, M. van Vliet, T. Warde, D. Waters, L. Wise and N. Wise.

The consideration per share for which Incentive Shares are issued under the Scheme is the "allocation price". In determining the allocation price, the Board may (but is not required to) have regard to the volume weighted average market price of Pushpay ordinary shares traded on the NZX Main Board over the 20 business days prior to the date on which the Incentive Shares are acquired by the Participants. The aggregate allocation price payable by each Participant is funded by way of a Loan to that Participant (as described above).

Financial Assistance

The provision of the Loan in the manner, and the purposes, described above may constitute the giving of financial assistance by the Company in connection with the purchase of shares in the Company under the Companies Act. Between 27 November 2017 and the date of this disclosure document, the following number of Incentive Shares were issued and allocated to the Participants:

| <i>Date of issue</i> | <i>Number of Ordinary Shares issued</i> | <i>Allocation Price (NZD per share to nearest cent)</i> | <i>Aggregate Loan (NZD)</i> |
|----------------------|---|---|-----------------------------|
| 8 March 2018 | 17,757 | \$3.96 | \$70,339 |
| 20 June 2018 | 84,823 | \$4.17 | \$353,398 |
| 28 September 2018 | 56,790 | \$3.93 | \$223,043 |

In addition to the above new shares, 100,000 existing shares already held by the Trustee (after the beneficial interest in those shares was acquired by the Trustee from the Participant under the Scheme) were allocated for an aggregate loan amount of \$155,378.95.

As at the date of this disclosure document, the total amount of the Loans made under the Scheme which remains outstanding is \$1,158,958.71.

Further Incentive Shares may be issued in the 12 months following the date of this disclosure document to existing and additional Participants. Accordingly, during the next 12 months, Pushpay may provide financial assistance in connection with the Scheme in the manner described in this disclosure document. Pushpay is not able to determine the precise amount of any additional Loans for further share issues or allocations within the next 12 months, as that is dependent upon, among other things, the level of Participants' participation, the number of Incentive Shares to be allocated and issued, and the allocation price for the Incentive Shares. The total amount of the financial assistance and the number of Incentive Shares issued or allocated to Participants will be disclosed in or together with each subsequent financial assistance disclosure document provided to Pushpay's shareholders (at least annually).

As noted above, financial assistance may also be provided to the Trustee when funding the repurchase of a Participant's interest in the Incentive Shares as contemplated by the Scheme rules. As at the date of this disclosure, the loan receivable from the Trustee for this purpose was \$226,540, a decrease of \$39,842 since 27 November 2017.

The Board will suspend the giving of any financial assistance in connection with the Scheme if:

- it is no longer satisfied on reasonable grounds that the Company will satisfy the solvency test set out in the Companies Act immediately after the giving of any financial assistance; or
- the Board ceases to be satisfied that:
 - (a) the giving of financial assistance is of benefit to the shareholders not receiving the assistance; or
 - (b) the terms and conditions under which the assistance is given are fair and reasonable to those shareholders not receiving the assistance.

Board Resolutions

On 7 November 2018, Pushpay's Board resolved to continue to provide financial assistance to Participants and the Trustee, and for payment of the operating costs of the Trustee in connection with the Scheme. The relevant text of the Board resolutions relating to the authorisation of the Company to provide financial assistance pursuant to section 78 of the Companies Act is set out on the next page:

1. That the Company should provide financial assistance to Participants in the Scheme, such financial assistance to take the form of:
 - (a) interest-free loans to Participants and, to the extent necessary, to the Trustee, to enable them or it to acquire shares under the Scheme; and
 - (b) payment of the operating costs of the Trust.
2. That the giving of financial assistance is in the best interests of the Company, and is of benefit to those shareholders not receiving the financial assistance.
3. That the terms and conditions under which the financial assistance is to be given are fair and reasonable to the Company and to those shareholders not receiving the financial assistance.
4. The reasons for the directors' conclusions concerning the giving of financial assistance in respect of the Scheme are:
 - (a) giving the financial assistance is in the best interests of the Company, and is of benefit to those shareholders not receiving the financial assistance, because it increases the alignment of the Participants and shareholders and rewards the Participants for the creation of shareholder wealth, and therefore creates incentives for the Participants to strive to ensure that the Company performs for the benefit of all its shareholders;
 - (b) the terms and conditions are fair and reasonable to the Company and to those shareholders not receiving the financial assistance because the costs of providing the financial assistance are relatively small and are outweighed by the benefit of the alignment of interests that is achieved under the Scheme; and
 - (c) employee share schemes, like the Scheme, are recognised as appropriate to help ensure key talent attraction and retention.
5. The Board is satisfied on reasonable grounds (as set out in the certificate completed by the directors of the Company) that the Company will satisfy the solvency test under sections 4 and 77 of the Companies Act 1993 (Companies Act) immediately after giving of the financial assistance, having regard to:
 - (a) the most recent financial statements of the Company that were prepared under the Companies Act or any other enactment;
 - (b) the accounting records of the Company; and
 - (c) all other circumstances that the directors know or ought to know which affect, or may affect, the value of the Company's assets and the value of the Company's liabilities, including contingent liabilities.
6. That the Company send to each shareholder of the Company a disclosure document complying with section 79 of the Companies Act before providing any financial assistance.

Kind regards,



Shane Sampson

Chief Financial Officer and Company Secretary