

3 June 2013

Simon Daniels  
Adviser, Listings Compliance

Dear Simon

**Recently Lodged Appendix 3X – Initial Director's Interest**

We refer to your letter of 31 May 2013, following the Appendix 3X disclosure recently lodged by Tranzact Financial Services Limited (the Company) with the ASX.

We respond to your questions as below:

1. The Appendix 3X was lodged late as we had not appreciated that a disclosure was specifically required even where a directors interest was nil.

On appointment and subsequent to appointment, all directors of the Company are required to make, and keep updated, disclosure of their interests.

In the case of this appointment, it was confirmed that the director had no notifiable interest in the Company, but regrettably the Company had not recognised that an Appendix 3X disclosure was required nonetheless.

On advice, it was subsequently confirmed that a 3X return should be completed even where a director's interest is nil, which is the reason for the recent lodgement.

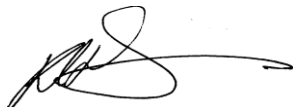
2. As noted above, the directors regularly confirm their direct and indirect interests in the Company, and review the interests register.

To the extent those interests change, an assessment is made of the need for the change to be disclosed.

3. The Company will make arrangements for additional training and familiarisation of the ASX listing rules for its relevant staff. The Company is confident that the appropriate assessments are being made of the interests held by directors, but has failed to recognise in this case the need for a nil interest to be disclosed.

We trust the above provides a satisfactory explanation of the late lodgement of the Appendix 3X and the arrangements in place to ensure future reporting obligations are met.

Yours sincerely



Richard Rodgers  
Company Secretary  
Tranzact Financial Services Limited



ASX Compliance Pty Limited  
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NSW 1215

31 May 2013

Richard Rodgers  
Company Secretary

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Dear Richard,

**Tranzact Financial Services Limited (the "Company")**

We refer to the following:

1. The Appendix 3X lodged by the Company with ASX on 31 May 2013 for William Ractliffe (the "[Director] Notice");
2. Listing rule 3.19A which requires an entity to tell ASX the following:

- 3.19A.1 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*
- *On the date that the entity is admitted to the official list.*
  - *On the date that a director is appointed.*
- The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.*

3. Listing rule 3.19B which states as follows.

*An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.*

3. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

As the Appendix 3X indicated that the director was appointed on 31 October 2012 it appears that the Appendix 3X should have been lodged with ASX by 7 November 2012. As the Appendix 3X was lodged on 31 March 2013, it appears that the Company may be in breach of listing rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.



ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions:

1. Please explain why the Appendix 3X was lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail at [simon.daniels@asx.com.au](mailto:simon.daniels@asx.com.au). It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. A.E.S.T.) on Wednesday, 5 June 2013.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and should separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely

*[Sent electronically without signature]*

Simon Daniels  
**Adviser, Listings Compliance (Sydney)**