

Ms Johanna O'Shea  
Adviser, Listings Compliance (Sydney)  
ASX Compliance Pty Ltd  
20 Bridge Street  
SYDNEY NSW 2000

19 May 2017

Dear Ms O'Shea

**DECIMAL SOFTWARE LIMITED (THE "COMPANY")**  
**APPENDIX 3Y – CHANGE OF DIRECTOR'S INTEREST NOTICE**

I refer to the ASX Compliance Pty Ltd letter dated 17 May 2017 in relation to the Appendix 3Y for Mr Mark Potts.

As to the questions detailed in the referenced letter, I respond as follows:

*1. Please explain why the Appendix was late.*

The lodgment of an Appendix 3Y for Mr Potts was overlooked. The oversight was subsequently identified and the Appendix 3Y lodged immediately.

*2. What arrangements does the Entity have in place under listing rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?*

A register of Director's Interests and continuous disclosure are permanent agenda item at the Company's board meetings and regular discussions occur in relation to Director's obligations and the implications of non-disclosure.

*3. If the current arrangements are inadequate or not being enforced, what additional steps does the Entity intend to take to ensure compliance with listing rule 3.19B?*

The current arrangements are adequate.

Please do not hesitate to contact me if you require any additional information.

Yours sincerely



David Gardner  
Company Secretary



17 May 2017

David Gardner  
Company Secretary  
Decimal Software Ltd  
Level 12  
680 George Street  
Sydney, NSW 2000

By email: dg@decimal.com

Dear David,

**Decimal Software Ltd (the “Entity”): Appendix 3Y – Change of Director’s Interest Notice**

We refer to the following;

1. The Appendix 3Y lodged by the Entity with ASX on Tuesday, 16 May 2017 for Mr Mark Potts (the “Director’s 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.
  - 3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs
  - 3.19A.3 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 date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.



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.

The Appendix 3Y indicates that a change in the notifiable interest of the Director occurred on 4 May 2017. It appears that the Director's Notice should have been lodged with ASX by no later than 11 May 2017. Consequently, the Entity may be in breach of listing rules 3.19A and/or 3.19B. It also appears the directors concerned may have breached section 205G of the Corporations Act.

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

ASX reminds the Entity of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Entity 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*, under listing rule 18.7 we ask that you answer each of the following questions.

1. Please explain why the Appendix was lodged late.
2. What arrangements does the Entity have in place under listing rule 3.19B 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 Entity intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail at johanna.o'shea@asx.com.au. It should not be sent to the ASX Market 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 (i.e. before 9.30 a.m. AEST) on Monday, 22 May 2017.

Under listing rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

*[Sent electronically without signature]*

Johanna O'Shea

**Adviser, Listings Compliance (Sydney)**