

Class Limited

ACN 116 802 058

Notice of 2017 Annual General Meeting

NOTICE is hereby given that the 2017 Annual General Meeting (**Meeting** or **AGM**) of the members of Class Limited (ACN 116 802 058) (**Company**) will be held on Monday 16 October, 2017 at 3:00pm (Sydney Time), at:

Hilton Sydney
Level 1, 488 George Street
Sydney NSW 2000



Business

Financial Report, Directors' Report and Auditor's Report

To receive and consider the Financial Report, Directors' Report and Auditor's Report for the Company and its controlled entities for the financial year ended 30 June 2017.

Resolution 1 – Election of Mr Christopher Cuffe

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, subject to Resolution 5 being passed, Mr Christopher Cuffe, who is eligible for election in accordance with the Company's Constitution and, being eligible, offers himself for election, be elected as a director of the Company.”

Details of the qualifications and experience of Mr Christopher Cuffe are set out in the attached Explanatory Statement.

Resolution 2 – Election of Ms Nicolette Rubinsztein

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Ms Nicolette Rubinsztein, who is eligible for election in accordance with the Company's Constitution and ASX Listing Rule 14.4 and, being eligible, offers herself for election, be elected as a director of the Company.”

Details of the qualifications and experience of Ms Rubinsztein are set out in the attached Explanatory Statement.

Resolution 3 – Re-election of Mr Rajarshi Ray

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Mr Rajarshi Ray, being a director who retires by rotation pursuant to the Company's Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election, be re-elected as a director of the Company.”

Details of the qualifications and experience of Mr Ray are set out in the attached Explanatory Statement.

Resolution 4 – Re-election of Mr Matthew Quinn

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Mr Matthew Quinn, being a director who retires by rotation pursuant to the Company's Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election, be re-elected as a director of the Company.”

Details of the qualifications and experience of Mr Quinn are set out in the attached Explanatory Statement.

Resolution 5 – Increase In Total Fee Pool for Non-Executive Directors

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purpose of ASX Listing Rule 10.17, clause 10.7(a) of the Company's Constitution and for all other purposes, the maximum aggregate amount available for payment by the Company to Non-Executive Directors of the Company as directors' fees be increased by \$250,000 to \$750,000 per financial year.”

A voting exclusion statement applies to this Resolution 5.

Resolution 6 – Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

“That the Remuneration Report for the year ended 30 June 2017 as set out in the Company’s 2017 Annual Report be adopted.”

The Remuneration Report is contained in the “Directors’ Report” section of the 2017 Annual Report (pages 14 to 25). Publicly listed companies are required to submit their remuneration reports to a vote for adoption at each of their annual general meetings. Whilst this Resolution is to be determined as an ordinary resolution, it is advisory only and does not bind the Directors or the Company.

A voting exclusion statement applies to this Resolution 6.

Resolution 7 – Issue of ESOP Shares to Managing Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to allot and issue up to 200,000 fully paid ordinary shares to Mr Kevin Bungard, the Company’s Managing Director and Chief Executive Officer, on exercise of 200,000 options granted to him under the Class Limited Employee Share Option Plan, in accordance with, and subject to, the terms described in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution 7.

By order of the Board

Glenn Day
Company Secretary

Dated: 14 September 2017

Directions regarding meeting

Entitlement to vote

For the purpose of determining a person's entitlement to vote at the Meeting and in accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), shares will be taken to be held by the persons who are the registered holders at 3:00pm (Sydney time) on Saturday, 14 October 2017. Any share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

How to vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Voting in person

To vote in person, please attend the Meeting on the date, time and place set out in the Notice of Meeting.

Voting by proxy

A shareholder entitled to attend and vote at the Meeting may appoint not more than two proxies and may specify the proportion or number of the shareholder's votes each proxy is entitled to exercise. If two proxies are appointed but no proportion or number is specified, each proxy may exercise half of the shareholder's votes. Under the Corporations Act 2001 (Cth) (**Corporations Act**), if a proxy has two or more appointments that specify different ways to vote on a resolution, the proxy must not vote on a show of hands.

A proxy has the same rights as a shareholder to speak at the Meeting, to vote (but only to the extent allowed by the appointment) and to join in a demand for a poll. Shareholders who have appointed a proxy may still attend the Meeting. However, that proxy's rights to speak and vote are suspended while the shareholder is present.

A proxy need not be a shareholder of the Company and may be an individual or a body corporate.

To vote by proxy, please complete and sign the enclosed Proxy Form in accordance with the instructions on it.

Voting restrictions apply to members of the key management personnel of the Class Limited consolidated group (**KMP**) whose remuneration details are included in the Remuneration Report and their closely related parties, which affect proxy voting.

The KMP (which includes each of the non-executive directors, the Managing Director and Chief Financial Officer) and their closely related parties will not be able to vote your proxy on Resolutions 5, 6 or 7 unless you direct them how to vote by marking the voting boxes on the Proxy Form for those items. The term "closely related party" is defined in the Corporations Act and includes the KMP's spouse, dependants and certain other close family members, as well as any companies controlled by the KMP.

If you intend to appoint a KMP or their closely related party as your proxy, please ensure that you direct them how to vote on Resolutions 5, 6 and 7. If you intend to appoint the Chairman of the Meeting as your proxy, you can direct him to vote by marking the relevant boxes on the Proxy Form. If you sign and return your Proxy Form and do not provide any voting directions, you will be deemed to have expressly authorised the Chairman of the Meeting (where he is appointed your proxy or becomes your proxy by default) to cast your vote on each of Resolutions 5, 6 and 7 even though each of those Resolutions is connected with the remuneration of a KMP. The Chairman of the Meeting intends to vote any undirected proxies held by him in favour of all items of business (subject to the requirements for voting directions noted above in relation to Resolutions 5, 6 and 7).

How to lodge a proxy

Proxy Forms (and if the appointment is signed by the appointor's attorney, the original authority under which the appointment was signed or a certified copy of the authority) must be received no later than 3:00pm (Sydney time) on Saturday, 14 October 2017.

Proxy Forms may be lodged in one of the following ways:

Online at www.linkmarketservices.com.au

By mail to Class Limited

C/- Link Market Services Limited

Locked Bag A14

Sydney South NSW 1235 Australia

By hand at Link Market Services Limited

1A Homebush Bay Drive, Rhodes NSW 2138; or

Level 12, 680 George Street, Sydney NSW 2000

By fax to +61 2 9287 0309

Corporate representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, will need to ensure that it appoints an individual as its corporate representative in accordance with section 250D of the Corporations Act to exercise its powers at the Meeting. A Certificate of Appointment of Corporate Representative is available from the Share Registry. The instrument appointing the representative must be provided to the Company or the Share Registry before the Meeting.

Shareholder questions

If you would like a question to be put to the Chairman of the Meeting or the Auditor and you are not able to attend the Meeting, please email your question to the Company Secretary at investor@class.com.au. To allow time to collate questions and prepare answers, questions are to be received by the Company Secretary by 3:00pm (Sydney time) on Monday, 9 October 2017. Questions will be collated and, during the Meeting, the Chairman or the Managing Director will seek to address (or request the Company's Auditor, Grant Thornton, to respond to) as many of the more frequently raised topics as possible. Please note that there may not be sufficient time at the Meeting to respond to all topics raised and responses to individual questions will not be provided.

Shareholders should read the Explanatory Statement accompanying, and forming part of, this Notice of Meeting for more details on the Resolutions to be voted on at the Meeting.

Explanatory statement

This Explanatory Statement is included in and forms part of the Notice of Meeting. It contains an explanation of, and information about, the Resolutions to be considered at the Meeting. It is given to shareholders to help them determine how to vote on the Resolutions set out in the Notice of Meeting.

Shareholders should read this Explanatory Statement in full before making any decision in relation to the Resolutions.

If you are in doubt about what to do in relation to a Resolution, you should consult your financial or other professional advisor.

Financial Report, Directors' Report and Auditor's Report

The Financial Report, Directors' Report and Auditor's Report are contained in the 2017 Annual Report which is available on the Company's website: www.class.com.au.

Shareholders are not required to vote on this item of business. During this item of business, shareholders will have the opportunity to ask questions about and comment on the Company's management, operations, financial position, business strategies and prospects.

Shareholders will also have the opportunity for direct questions to the Auditor, to the extent relevant to the conduct of the audit of the Company, the preparation and contents of the Auditor's Report, the accounting policies adopted by the Company in the preparation of its financial statements and the independence of the Auditor.

Resolution 1, 2, 3 and 4 - Election of Directors

The board of directors of the Company (**Board**) recognises that having a range of different skills, experience and expertise represented amongst its directors is important for optimal performance of the Board. The Board uses a skills matrix to guide its assessment of the directors and to identify any gaps in the collective skills of the Board. The range of skills, experience and expertise represented on the Board is set out in the Company's Corporate Governance Statement (available on the Company's website at www.class.com.au/investors).

The Board believes that it is in the interests of shareholders that Mr Christopher Cuffe be elected as an Independent Non-Executive Director of the Company. The Board, therefore, in accordance with clause 10.4 of the Company's Constitution, nominated Mr Cuffe for election as a director of the Company. Mr Cuffe has given his consent to act as a director of the Company if he is elected.

As indicated below in relation to Resolution 5, the current fee pool for Non-Executive Directors' fees of \$500,000 per financial year is not sufficient to accommodate the payment of fees to six Non-Executive Directors. Therefore, Mr Cuffe's election (as the sixth Non-Executive Director) is conditional on shareholders approving the increase in the fee pool under Resolution 5.

Ms Nicolette Rubinsztein, an Independent Non-Executive Director of the Company, was appointed to the Board in April 2017.

Mr Rajarshi Ray, an Independent Non-Executive Director of the Company, was last elected in 2015. Mr Ray has been on the Board since November 2008.

Mr Matthew Quinn, the Company's Non-Executive Chairman, was last elected in 2015 and has been on the Board since July 2015. Mr Quinn was elected as Non-Executive Chairman by the Board in February 2017.

In accordance with clause 10.2(c) of the Company's Constitution and ASX Listing Rule 14.4, Ms Rubinsztein will retire at the Meeting and offers herself for election.

The Company's Constitution provides that directors, other than the Managing Director, must retire from office no later than the longer of the third annual general meeting of the Company or three years, following that director's last election or appointment. Although this 3-year period does not expire for Mr Ray and Mr Quinn until 2018, the Board has decided that 2 directors will retire and offer themselves for re-election at this Meeting so as to ensure an orderly re-election of directors by rotation. Mr Ray and Mr Quinn, as the directors (other than the Managing Director) who have held office for the longest and second longest period of time (respectively) since their last election or appointment to the office of director, will retire at the Meeting and offer themselves for re-election.

Details of the qualifications and experience of each of Mr Cuffe, Ms Rubinsztein, Mr Ray and Mr Quinn are set out below.

Board recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 1 to elect Mr Cuffe as a director of the Company.

The Board (with Ms Rubinsztein absent and not voting) unanimously recommends that shareholders vote in favour of Resolution 2 to elect Ms Rubinsztein as a director of the Company.

The Board (with Mr Ray absent and not voting) unanimously recommends that shareholders vote in favour of Resolution 3 to re-elect Mr Ray as a director of the Company.

The Board (with Mr Quinn absent and not voting) unanimously recommends that shareholders vote in favour of Resolution 4 to re-elect Mr Quinn as a director of the Company.

Details of Mr Cuffe

Mr Cuffe has many years experience building successful wealth management practices. Most notably he joined Colonial First State in 1988 and became CEO two years later. In 2003 Mr Cuffe became the CEO of Challenger Financial Services Group Limited and subsequently headed up Challenger's Wealth Management business.

Mr Cuffe holds a Bachelor of Commerce from the University of NSW and a Diploma from the Securities Institute of Australia. He is a Fellow of Chartered Accountants Australia and New Zealand, a Fellow of the Institute of Company Directors and an Associate of the Financial Services Institute of Australasia. In October 2007, he was inducted into the Australian Fund Manager's RBS Hall of Fame for services to the investment industry.

Mr Cuffe was formerly Chairman of UniSuper.

Currently, he is Chairman of Australian Philanthropic Services and Atrium Investment Management Pty Ltd and Director of Global Value Fund Limited, Argo Investments Limited, Antipodes Global Investment Company Limited, Third Link Investment Managers and the holding company of Fitzpatrick Private Wealth. He is also a founder/producer of online weekly financial newsletter, Cuffelinks.

Mr Cuffe has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a director.

Details of Ms Rubinsztein

Ms Rubinsztein is a non-executive director of UniSuper, OnePath Insurance, SuperEd and the Actuaries Institute.

In her executive career, she held senior roles at CBA / Colonial First State, BT Funds Management and Towers Perrin.

Ms Rubinsztein was also a director of the Association of Superannuation Funds of Australia (ASFA) for eight years and chair of its Super System Design Council. A qualified actuary, she holds an executive MBA from the Australian Graduate School of Management and is a graduate of the Australian Institute of Company Directors.

Ms Rubinsztein has acknowledged to the Company that she will have sufficient time to fulfil her responsibilities as a director.

Details of Mr Ray

Mr Ray joined the Board in 2008. He is a former Director / Executive at American Express and Coopers & Lybrand.

In addition to Class he is a Non-Executive Director at Heffron and is also involved in a number of not-for-profits.

He holds post graduate qualifications in Information Technology, Accounting and Finance. He is a Fellow of the Institute of Chartered Accounts, a Member of the Financial Institute of Australia and a Graduate of the Australian Institute of Company Directors.

Mr Ray has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a director.

Explanatory statement continued

Details of Mr Quinn

Mr Quinn was the Managing Director of Stockland, an ASX top 50 company, from 2000 to 2013.

He was National President of the Property Council of Australia from 2003 to 2005 and a director of the Business Council of Australia in 2012.

He is now a Non-Executive Director of CSR Limited and UrbanGrowth NSW and is Chairman of Carbonxt Group Limited and mPort Ltd.

Mr Quinn is involved in a number of not-for-profits and is on the board of the Australian Business and Community Foundation.

He is a Chartered Accountant.

Mr Quinn has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a director.

Resolution 5 – Increase in Total Fee Pool for Non-Executive Directors

Under the Company's Constitution, the current maximum aggregate amount payable by way of Non-Executive Directors fees in any financial year (**NED Fee Pool**) is \$500,000. Under the Constitution and ASX Listing Rule 10.17, the NED Fee Pool cannot be increased without shareholder approval.

Shareholder approval is sought to increase the NED Fee Pool by \$250,000 to \$750,000 per financial year. In accordance with ASX Listing Rule 10.17, the NED Fee Pool is inclusive of superannuation contributions for the benefit of Non-Executive Directors and any fees which a Non-Executive Director agrees to sacrifice for other benefits.

The main reason that the Board is seeking shareholder approval to increase the NED Fee Pool is that the Board is recommending the election of Mr Christopher Cuffe as an additional Non-Executive Director as part of ensuring that the Board continues to have the right balance of skills, experience and expertise. The election of Mr Cuffe (if approved by shareholders) will take the number of Non-Executive Directors on the Board to six. The current NED Fee Pool of \$500,000 is insufficient to accommodate the payment of fees to six Non-Executive Directors. Therefore, if shareholders do not approve the increase in the NED Fee Pool under this Resolution 5, Mr Cuffe's election as a Non-Executive Director will not be effective. For this reason, the Resolution to elect Mr Cuffe (Resolution 1) is subject to this Resolution 5 being passed.

Details of Non-Executive Director remuneration for the financial year ended 30 June 2017 are included in the Remuneration Report which forms part of the Directors' Report contained the Company's 2017 Annual Report. The aggregate remuneration provided to all Non-Executive Directors during the financial year ended 30 June 2017 was \$415,367.

The increase in the NED Fee Pool will also ensure that the Company has the ability to set fees at a competitive level so that it can attract and retain the services of Non-Executive Directors of high calibre.

No securities have been issued to any Non-Executive Director under ASX Listing Rule 10.11 or 10.14 with shareholder approval within the last 3 years.

As all of the Non-Executive Directors have an interest in the outcome of Resolution 5, the Board does not believe that it is appropriate to make a recommendation to shareholders as to how to vote in relation to Resolution 5.

Voting exclusion statement

A vote on Resolution 5 must not be cast, and the Company will disregard any votes cast on Resolution 5:

- by or on behalf of each director of the Company and any of their associates; or
- by a KMP, or a closely related party of a KMP, as a proxy,

unless the vote is cast as proxy for a person entitled to vote on Resolution 5:

- in accordance with a direction on the Proxy Form; or
- by the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman to exercise an undirected proxy even if the Resolution is connected directly or indirectly with the remuneration of a KMP.

Resolution 6 – Remuneration Report

Section 250R(2) of the Corporations Act requires the Company to put its Remuneration Report to the vote of shareholders at each annual general meeting of the Company. However, the outcome of the shareholders vote on the Remuneration Report is advisory only. If Resolution 6 to adopt the Remuneration Report for the year ended 30 June 2017 is not passed, the directors are not obliged to alter any of the arrangements specified in the Remuneration Report. However, the directors will take into account the outcome of the vote when considering the future remuneration practices and policies.

Shareholders should also note that, if 25% or more of the votes cast are against Resolution 6, the first part of the Board spill provisions contained in the Corporations Act (“two strikes rule”) will be triggered. While this would not impact on the current year’s Meeting, if at next year’s Annual General Meeting, more than 25% of the votes cast are against the Remuneration Report for that year, then a resolution must be put to shareholders to vote on whether to hold another meeting within 90 days of that Annual General Meeting at which all of the directors (other than the Managing Director) must stand for re-election.

Voting exclusion statement

A vote on Resolution 6 must not be cast, and the Company will disregard any votes cast on Resolution 6, by or on behalf of a KMP or their closely related parties, in any capacity (including as a proxy), unless the vote is cast as proxy for a person entitled to vote on Resolution 6:

- in accordance with the directions on the Proxy Form; or
- by the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman to exercise an undirected proxy even if the Resolution is connected directly or indirectly with the remuneration of a KMP.

Board recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 6 to adopt the Remuneration Report.

Resolution 7 – Issue of ESOP Shares to Managing Director

On 24 July 2017, the Company granted to the Company’s Managing Director and Chief Executive Officer, Mr Kevin Bungard, 200,000 options (**Options**) under the Company’s Employee Share Option Plan (**ESOP**).

Each Option entitles Mr Bungard to acquire one fully paid ordinary share in the Company (**Share**), subject to the terms of the ESOP and the grant.

The Non-Executive Directors are of the view that Mr Bungard’s overall remuneration, including the grant of the Options, is reasonable having regard to the circumstances of the Company, the duties and responsibilities of Mr Bungard and market levels of remuneration for executives in his position in similar sized companies.

The terms of the grant of the Options provide that the Shares that Mr Bungard is entitled to receive on exercise of the Options will be purchased by (or on behalf of) the Company on-market and transferred to Mr Bungard (or otherwise purchased on-market on Mr Bungard’s behalf). However, the terms of the grant also provide that the Company may, at its discretion, seek shareholder approval to issue the Shares to Mr Bungard rather than purchasing them on-market.

Why shareholder approval is required

Under ASX Listing Rule 10.14, shareholder approval is required for the issue of securities to directors under an employee incentive scheme. Shareholder approval is not required for the grant of options or provision of securities to directors under an employee incentive scheme where the securities to be acquired on exercise of the options are required by the terms of the scheme to be purchased on-market. Therefore, no shareholder approval was required to grant the Options to Mr Bungard.

However, to preserve flexibility for the Board to issue Mr Bungard Shares (rather than purchasing them on-market), the Board has decided to seek shareholder approval to issue up to 200,000 Shares (subject to any adjustments in accordance with the ESOP for bonus issues or other reorganisation events) to Mr Bungard on exercise of the Options.

Explanatory statement continued

Key terms of the Options

The Options have been granted for nil cash consideration under the Company's ESOP. The Options are classified as "Series 4 Options" and have the following key terms:

Vesting

The Options will vest on each of the following dates, 1 July 2018, 1 July 2019 and 1 July 2020, in three equal instalments.

Accelerated vesting

If an Accelerated Vesting Event occurs while Mr Bungard is employed with the Company or its related bodies corporate (together, **Group** and each, a **Group Company**) and before the vesting date, all of the Options will immediately vest. An "Accelerated Vesting Event" means the occurrence of a Control Event. A "Control Event" includes:

- the occurrence of a change in Control of the Company ("Control" means having the right to vote 50% or more of the votes that can be cast on the election or removal of the directors, the right to appoint or remove directors who possess 50% or more of the votes exercisable by all directors, or the right to 50% or more of the profits or distributions of the Company or of its net liquidation proceeds);
- unless the Board (or a committee of the Board) (**Plan Committee**) determines otherwise, a takeover bid by a person is recommended by the Board, or a scheme of arrangement which would have a similar effect to a full takeover bid is announced by the Company; or
- any other event which the Plan Committee reasonably considers should be regarded as a "Control Event".

Deferred vesting

If a Change Event occurs in relation to Mr Bungard before the vesting date, the Plan Committee may at its discretion defer the vesting date for some or all of the unvested Options, taking into account the impact of the Change Event on the working time of Mr Bungard. A "Change Event" means Mr Bungard taking unpaid leave of at least 6 weeks in any calendar year, or Mr Bungard reducing his working hours per week by at least 20%.

Continued vesting

Unvested Options lapse on Mr Bungard ceasing to be an employee, unless a Special Circumstance occurs or applies before the vesting date of the Options. "Special Circumstance" means any of the following in respect of Mr Bungard:

- total and permanent disablement;
- death;
- redundancy; or
- any other circumstance determined at the discretion of the Plan Committee..

Lapse

Vested Options lapse on 15 March 2022.

Vested Options can lapse earlier in the following circumstances:

- the Plan Committee determines that the Options should lapse because Mr Bungard has, amongst other things, been dismissed or removed from office for a reason which entitles the Company to dismiss Mr Bungard without notice, he has committed an act which brings the Group into disrepute, or a Change Event occurs in relation to Mr Bungard; or
- on a date determined by the Plan Committee (which will be no more than 12 months) after the date of termination of employment of Mr Bungard (other than due to the occurrence of a Special Circumstance).

Exercise price

Each Option has an exercise price of \$3.99 (subject to adjustment in accordance with the ESOP rules if there is a pro rata issue of Shares).

Dealing restrictions

Other than in certain circumstances (such as a transfer approved by the Board), Mr Bungard is not permitted to dispose of, grant a security interest over or otherwise deal with the Options or any interest in the Options.

Shares acquired as a result of the exercise of the Options must not be sold, transferred or otherwise disposed of before the earlier of:

- 3 years from the date that the Options are granted; and
- Mr Bungard's employment with the Group ceases.

A holding lock may be applied to the Shares to enforce the above disposal restrictions. Shares may be released from the holding lock in certain circumstances, such as where:

- Mr Bungard demonstrates to the satisfaction of the Plan Committee that he is experiencing severe financial hardship;
- Mr Bungard's employment terminates (if the termination is for reasons other than a Special Circumstance, only 50% of the Shares will be released from the holding lock, with the remaining 50% subject to a holding lock until the earlier of 12 months after the date of termination and expiry of the original holding lock period); or
- a Control Event occurs.

Shares issued on exercise of Options

Subject to the restrictions referred to above, all Shares allotted on the exercise of the Options rank pari passu in all respects with Shares previously issued, and will entitle Mr Bungard to participate fully in dividends declared by the Company after the date of allotment and all issues of securities made or offered pro rata to holders of Shares.

Information required by ASX Listing Rules

The Company provides the following information for the purposes of ASX Listing Rules 10.15A and 7.2, exception 14:

- (a) Mr Bungard is a director of the Company.
- (b) The maximum number of securities that may be acquired by Mr Bungard under this approval is 200,000 Shares (being the maximum number of Shares that the Options are exercisable into), provided that if there is a bonus issue of Shares by Class, the number of Shares will be increased by the number of Shares which Mr Bungard would have received if the Options had been exercised before the record date for the bonus issue.
- (c) In the event that, prior to the exercise of the Options, there is a reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, then the number of Options (and therefore, the number of Shares that the Options are exercisable into) may be reconstructed in a manner permitted by the ASX Listing Rules.
- (d) The price payable by Mr Bungard for acquiring each Share on exercise of the Options is \$3.99 per Share (**Exercise Price**). However, if there is a pro rata issue of Shares (other than a bonus issue), the Exercise Price will be reduced in accordance with the formula set out in ASX Listing Rule 6.22.2.
- (e) Mr Bungard is the only person referred to in ASX Listing Rule 10.14 who has received securities under the ESOP. Since the last shareholder approval, 200,000 Series 4 Options with the terms described in this Explanatory Statement have been granted to Mr Bungard for nil cash consideration.
- (f) All directors are eligible under the terms of the ESOP to participate in the ESOP, although there is no intention to make any grants to Non-Executive Directors. The current directors of the Company are Mr Matthew Quinn, Mr Kevin Bungard, Mr Anthony Fenning, Ms Kathryn Foster, Mr Rajarshi Ray and Ms Nicolette Rubinsztein. Mr Bungard is the only Executive Director.
- (g) A voting exclusion statement for Resolution 7 is contained on page 12.
- (h) No loan has been advanced by the Group in relation to the acquisition of securities the subject of Resolution 7.
- (i) Details of any securities issued under the ESOP will be published in each Annual Report of the Company relating to a period in which securities have been issued, and that approval for the issue of securities was obtained under ASX Listing Rule 10.14.

Explanatory statement continued

- (j) Any additional persons who become entitled to participate in the ESOP after Resolution 7 is approved and who were not named in this Explanatory Statement will not participate until approval is obtained under ASX Listing Rule 10.14.
- (k) Subject to the terms of the ESOP and grant of the Options, the Options vest in three equal tranches on each of 1 July 2018, 1 July 2019 and 1 July 2020. No Shares will be issued under this approval on any date which is later than 3 years after the date of this Meeting (being 16 October 2020). If Mr Bungard exercises his Options on a date which is later than 16 October 2020, any Shares that Mr Bungard is entitled to on exercise of those Options will be purchased on-market, unless shareholder approval under the ASX Listing Rules (or an ASX waiver or modification of the ASX Listing Rules) has been obtained to permit the issue of Shares to Mr Bungard on exercise of the Options.
- (l) If approval is given by shareholders under ASX Listing Rule 10.14, approval will not be required under ASX Listing Rule 7.1.

Consequence of approval not being obtained

If approval of Resolution 7 is not obtained, this will not affect the terms of the Options or Mr Bungard's entitlement to Shares on exercise of the Options. However, the Shares that Mr Bungard will be entitled to will be purchased on-market by (or on behalf of) the Company for Mr Bungard and the Company will not issue new shares to Mr Bungard on exercise of the Options.

Voting exclusion statement

A vote on Resolution 7 must not be cast, and the Company will disregard any votes cast on Resolution 7:

- any director of the Company who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, and any of the director's associates; or
- by a KMP, or a closely related party of a KMP, as a proxy,

unless the vote is cast as proxy for a person entitled to vote on Resolution 7:

- in accordance with a direction on the Proxy Form; or
- by the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman to exercise an undirected proxy even if the Resolution is connected directly or indirectly with the remuneration of a KMP.

Board recommendation

The Board (with Mr Bungard absent and not voting) unanimously recommends that shareholders vote in favour of Resolution 7.



Class Limited
ACN 116 802 058

LODGE YOUR VOTE

-  **ONLINE**
www.linkmarketservices.com.au
-  **BY MAIL**
Class Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
-  **BY FAX**
+61 2 9287 0309
-  **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138
-  **ALL ENQUIRIES TO**
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Class Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box) **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy in the box below.

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at 3.00pm **Monday, 16 October 2017 at the Hilton Sydney, Level 1, 488 George Street, Sydney NSW 2000 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 5, 6 and 7: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 5, 6 and 7, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote unopposed proxy in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .

Resolutions	For	Against	Abstain*		For	Against	Abstain*
1 Election of Mr Christopher Cuffe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Increase in total fee pool for Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Ms Nicolette Rubinsztein	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-Election of Mr Rajarshi Ray	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Issue of ESOP Shares to Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Re-Election of Mr Matthew Quinn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, all shareholders must sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form, state a percentage of your voting rights or number of shares (applied to that form). If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the space provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all shareholders must sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney 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.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **3:00pm on Saturday, 14 October 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

Class Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 928 0030



BY HAND

Returning to Link Market Services Limited*
1A Horsham Way Drive
Rhodes NSW 2138

*During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**