

**ZIPTTEL LIMITED  
ACN 108 042 593**

**NOTICE OF GENERAL MEETING**

**Meeting to be held at Suite 8, 281 Hay Street, Subiaco, Western Australia on Tuesday, 20 October 2015 commencing at 10:00am (WST).**

**This Notice and Explanatory Statement should be read in its entirety.**

**Shareholders are urged to attend or vote by lodging the Proxy Form attached to this Notice.**

**If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.**

**ZIPTTEL LIMITED**  
**ACN 108 042 593**

**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is hereby given that a general meeting of Ziptel Limited (ACN 108 042 593) will be held at Suite 8, 281 Hay Street, Subiaco, Western Australia on Tuesday, 20 October 2015 commencing at 10:00am (WST) (**Meeting**).

Terms and abbreviations used in this Notice are defined in the Glossary in the Explanatory Statement attached to this Notice.

**AGENDA**

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**1. Resolution 1**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*"That for the purposes of ASX Listing Rule 7.4 and all other purposes, Shareholders ratify and approve the issue of 434,783 Shares and 1,050,000 Options made on 10 June 2015 on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 1 by any person who was the recipient of Shares or Options in the above issue and any associate of such person. However, the Company need not disregard any votes if:

- (a) it is cast as proxy for a person entitled to vote, in accordance with direction on the proxy form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy directs.

**2. Resolution 2**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant up to 1,500,000 Performance Rights to Keaton Wallace (or his nominee) under the Plan, on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 2 by any Director who is eligible to participate in the Plan, and any associates of those Directors. However, the Company need not disregard any votes if:

- (a) it is cast as proxy for a person entitled to vote, in accordance with

direction on the proxy form; or

- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy directs.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 2 if:

- (a) the proxy is either:
  - (i) a member of Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on Resolution 2.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though Resolution 2 is connected directly or indirectly with remuneration of a member of Key Management Personnel.

**3. Resolution 3**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant up to 1,500,000 Performance Rights to Umberto Mondello (or his nominee) under the Plan, on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 3 by any Director who is eligible to participate in the Plan, and any associates of those Directors. However, the Company need not disregard any votes if:

- (a) it is cast as proxy for a person entitled to vote, in accordance with direction on the proxy form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy directs.

**Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 3 if:

- (a) the proxy is either:
  - (i) a member of Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on Resolution 3.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though Resolution 3 is connected directly or indirectly with remuneration of a member of Key Management Personnel.

#### **4. Resolution 4**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant up to 150,000 Performance Rights to Joshua Hunt (or his nominee) under the Plan, on the terms and conditions set out in the Explanatory Statement.”*

#### **Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 4 by any Director who is eligible to participate in the Plan, and any associates of those Directors. However, the Company need not disregard any votes if:

- (a) it is cast as proxy for a person entitled to vote, in accordance with direction on the proxy form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy directs.

#### **Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 4 if:

- (a) the proxy is either:
  - (i) a member of Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on Resolution 4.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though Resolution 4 is connected directly or indirectly with remuneration of a member of Key Management Personnel.

## **5. Resolution 5**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

*“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant up to 150,000 Performance Rights to Salvatore Vallelonga (or his nominee) under the Plan, on the terms and conditions set out in the Explanatory Statement.”*

### **Voting Exclusion Statement:**

The Company will disregard any votes cast on Resolution 5 by any Director who is eligible to participate in the Plan, and any associates of those Directors. However, the Company need not disregard any votes if:

- (a) it is cast as proxy for a person entitled to vote, in accordance with direction on the proxy form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy directs.

### **Voting Prohibition Statement:**

A person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 5 if:

- (a) the proxy is either:
  - (i) a member of Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on Resolution 5.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though Resolution 5 is connected directly or indirectly with remuneration of a member of Key Management Personnel.

## **Explanatory Statement**

The accompanying Explanatory Statement forms part of this Notice and should be read in conjunction with it.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in this Notice and the Explanatory Statement.

## **Proxies**

Please note that:

- (a) a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

## **Voting Entitlements**

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)* that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 18 October 2015.

## **Corporate Representative**

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to Suite 8, 281 Hay Street, Subiaco, Western Australia in advance of the Meeting or handed in at the Meeting when registering as a corporate representative. An appointment of Corporate Representative form is enclosed if required.

By order of the Board



Joshua Hunt  
Chairman  
11 September 2015

## **EXPLANATORY STATEMENT**

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### **1. Resolution 1**

#### **1.1 Background**

On 10 June 2015, the Company issued 484,783 Shares and 1,050,000 Options to the following parties in exchange for consulting services provided to the Company:

- (a) 358,696 Shares to Binga Pty Ltd;
- (b) 76,087 Shares to Yoshi Investments Pty Ltd;
- (c) 300,000 Options to Elektra Investments Pty Ltd; and
- (d) 750,000 Options to S3 Consortium Pty Ltd.

#### **1.2 ASX Listing Rules Chapter 7**

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.1 and 7.4 for the issue of 484,783 Shares and 1,050,000 Options.

Subject to certain exceptions, ASX Listing Rule 7.1 prohibits the Company from issuing securities without Shareholder approval in any 12 month period where the number of securities issued would exceed 15% of the number of fully paid ordinary securities in the Company 12 months prior to the proposed issue. Within the 15% limit, the Company has flexibility to issue further shares to raise additional capital or for other purposes, without the need for Shareholder approval.

Under ASX Listing Rule 7.4, it is possible for Shareholders to approve an issue of securities after the event. This has the effect of “refreshing” the Company’s ability to issue shares within the 15% limit, and restores the Company’s ability to make placements (if that is thought desirable) without the need for Shareholder approval.

The Directors consider it desirable that the Company maintain its flexibility to make further issues of shares without seeking Shareholder approval, if the need or opportunity arises.

#### **1.3 Resolution 1 - Information Required by ASX Listing Rule 7.5**

ASX Listing Rule 7.5 sets out the information required to be disclosed to Shareholders when seeking approval. The information set out below is intended to satisfy this requirement:

- (a) 484,783 Shares and 1,050,000 Options were issued.
- (b) The issue price of the:
  - (i) Shares was \$0 (nil);
  - (ii) 300,000 Options issued to Elektra Investments Pty Ltd was \$0 (nil); and
  - (iii) 750,000 Options issued to S3 Consortium Pty Ltd was \$0.03.
- (c) The Shares issued rank equally in all respects with the existing fully paid ordinary shares in the Company. The terms of the Options are to acquire a Share exercisable at \$0.30 on or before 31 December 2016.
- (d) The 484,783 Shares and 1,050,000 Options were issued in the following proportions to the following parties:
  - (i) 358,696 Shares to Binga Pty Ltd;
  - (ii) 76,087 Shares to Yoshi Investments Pty Ltd;
  - (iii) 300,000 Options to Elektra Investments Pty Ltd; and
  - (iv) 750,000 Options to S3 Consortium Pty Ltd.
- (e) No funds were raised through the issue of the Shares, no funds were raised through the issue of the 300,000 Options to Elektra Investments Pty Ltd and \$22,500 was raised through the issue of the 750,000 Options to S3 Consortium Pty Ltd.

## **2. Resolution 2**

Resolution 2 seeks Shareholder approval for the grant of the Performance Rights to Mr Wallace (or his nominee).

The Directors (other than Mr Wallace who has a material personal interest in Resolution 2) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Performance Rights because the agreement to grant the Performance Rights, reached as part of the remuneration package for Mr Wallace, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

### **2.1 Information required by ASX Listing Rule 10.15**

In accordance with ASX Listing Rule 10.14, the following information is provided pursuant to ASX Listing Rule 10.15 in relation to Resolution 2:



- (a) the related Party is Mr Keaton Wallace and he is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Performance Rights to be issued to Mr Wallace is 1,500,000 Performance Rights;
- (c) the Performance Rights will be issued for nil cash consideration pursuant to the Plan in return for services provided by Mr Wallace to the Company and accordingly no funds will be raised;
- (d) no Performance Rights have been issued since the 3,000,000 Performance Rights issued to Keaton Wallace for nil cash consideration and 3,000,000 Performance Rights issued to Umberto Mondello for nil cash consideration under the Plan on 28 November 2014;
- (e) Messrs Wallace, Mondello, Hunt and Vallelonga (each a Director) are entitled to participate in the Plan;
- (f) there are no loans in relation to the issuing of the Performance Rights; and
- (g) the Performance Rights will be issued no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the grant of all of the Performance Rights will occur on the same day.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Performance Rights to Mr Wallace as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of the Performance Rights to Mr Wallace will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

### **3. Resolution 3**

Resolution 3 seeks Shareholder approval for the grant of the Performance Rights to Mr Mondello (or his nominee).

The Directors (other than Mr Mondello who has a material personal interest in Resolution 3) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Performance Rights because the agreement to grant the Performance Rights, reached as part of the remuneration package for Mr Mondello, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

#### **3.1 Information required by ASX Listing Rule 10.15**

In accordance with ASX Listing Rule 10.14, the following information is provided pursuant to ASX Listing Rule 10.15 in relation to Resolution 3:

- (a) the related Party is Mr Umberto Mondello and he is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Performance Rights to be issued to Mr Mondello is 1,500,000 Performance Rights;
- (c) the Performance Rights will be issued for nil cash consideration pursuant to the Plan in return for services provided by Mr Mondello to the Company and accordingly no funds will be raised;
- (d) no Performance Rights have been issued since the 3,000,000 Performance Rights issued to Keaton Wallace for nil cash consideration and 3,000,000 Performance Rights issued to Umberto Mondello for nil cash consideration under the Plan on 28 November 2014;
- (e) Messrs Wallace, Mondello, Hunt and Vallelonga (each a Director) are entitled to participate in the Plan;
- (f) there are no loans in relation to the issuing of the Performance Rights; and
- (g) the Performance Rights will be issued no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the grant of all of the Performance Rights will occur on the same day.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Performance Rights to Mr Mondello as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of the Performance Rights to Mr Mondello will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

#### **4. Resolution 4**

Resolution 4 seeks Shareholder approval for the grant of the Performance Rights to Mr Hunt (or his nominee).

The Directors (other than Mr Hunt who has a material personal interest in Resolution 4) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Performance Rights because the agreement to grant the Performance Rights, reached as part of the remuneration package for Mr Hunt, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

##### **4.1 Information required by ASX Listing Rule 10.15**

In accordance with ASX Listing Rule 10.14, the following information is provided pursuant to ASX Listing Rule 10.15 in relation to Resolution 4:

- (a) the related Party is Mr Joshua Hunt and he is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Performance Rights to be issued to Mr Hunt is 150,000 Performance Rights;
- (c) the Performance Rights will be issued for nil cash consideration pursuant to the Plan in return for services provided by Mr Hunt to the Company and accordingly no funds will be raised;
- (d) no Performance Rights have been issued since the 3,000,000 Performance Rights issued to Keaton Wallace for nil cash consideration and 3,000,000 Performance Rights issued to Umberto Mondello for nil cash consideration under the Plan on 28 November 2014;
- (e) Messrs Wallace, Mondello, Hunt and Vallelonga (each a Director) are entitled to participate in the Plan;
- (f) there are no loans in relation to the issuing of the Performance Rights; and
- (g) the Performance Rights will be issued no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the grant of all of the Performance Rights will occur on the same day.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Performance Rights to Mr Hunt as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of the Performance Rights to Mr Hunt will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

## **5. Resolution 5**

Resolution 5 seeks Shareholder approval for the grant of the Performance Rights to Mr Vallelonga (or his nominee).

The Directors (other than Mr Vallelonga who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Performance Rights because the agreement to grant the Performance Rights, reached as part of the remuneration package for Mr Vallelonga, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

### **5.1 Information required by ASX Listing Rule 10.15**

In accordance with ASX Listing Rule 10.14, the following information is provided pursuant to ASX Listing Rule 10.15 in relation to Resolution 5:

- (a) the related Party is Mr Salvatore Vallelonga and he is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Performance Rights to be issued to Mr Vallelonga is 150,000 Performance Rights;
- (c) the Performance Rights will be issued for nil cash consideration pursuant to the Plan in return for services provided by Mr Vallelonga to the Company and accordingly no funds will be raised;
- (d) no Performance Rights have been issued since the 3,000,000 Performance Rights issued to Keaton Wallace for nil cash consideration and 3,000,000 Performance Rights issued to Umberto Mondello for nil cash consideration under the Plan on 28 November 2014;
- (e) Messrs Wallace, Mondello, Hunt and Vallelonga (each a Director) are entitled to participate in the Plan;
- (f) there are no loans in relation to the issuing of the Performance Rights; and
- (g) the Performance Rights will be issued no later than 12 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the grant of all of the Performance Rights will occur on the same day.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Performance Rights to Mr Vallelonga as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of the Performance Rights to Mr Vallelonga will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

## 6. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Statement carefully before deciding how to vote on the Resolutions.

## 7. Glossary

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

**ASX Listing Rules** means the listing rules of ASX.

**Board** means the board of Directors.

**Chairman** means the person appointed to chair the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or the member's spouse;
- (d) anyone else who is on the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)* for the purposes of this definition.

**Company** means Ziptel Limited ACN 108 042 593.

**Corporations Act** means the *Corporations Act 2001 (Cth)*.

**Director** means a director of the Company.

**Explanatory Statement** means the explanatory statement attached to the Notice.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Meeting** has the meaning in the introductory paragraph of the Notice.

**Notice** means this notice of meeting.

**Option** means an option to acquire a Share exercisable at \$0.30 on or before 31 December 2016.

**Performance Rights** means performance rights to be granted pursuant to the Plan to:

- (a) be granted upon receipt of Shareholder approval; and
- (b) vest on the date that the Company achieves 10,000,000 installations by third party customers of its Zipt mobile application, subject to the Company achieving 10,000,000 installations by third party customers of its Zipt mobile application within 18 months from the date of the Meeting.

**Plan** means the Ziptel Limited Performance Rights Plan.

**Resolution** means a resolution contained in this Notice.

**Section** means a section contained in this Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

**WST** means Western Standard Time, being the time in Perth, Western Australia.

In this Notice, words importing the singular include the plural and vice versa.

**Company or Trust in which Securityholding is held****ZIPTTEL LIMITED (ACN 108 042 593)**Registered  
Name(s)Registered  
AddressHolder Identification Number (HIN) or  
Securityholder Reference Number (SRN)Use a black pen.  
Print in CAPITAL letters.**A B C****1 2 3**Where a choice is required,  
mark the box with an 'X'**X****Appointment of Corporate Representative****A Appointment of Corporate Representative**

The abovenamed registered holder hereby appoints:

to act as its representative at:

☐

the meeting of the above named company to be held on:

**OR**☐

all meetings of the above named company.

Day	Month	Year
/	/	

\*and at any adjournment of that meeting

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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Please state if there are any restrictions on the representative's power:

If yes, please describe these restrictions

Contact Name

Telephone Number – Business Hours / After Hours

**B Sign Here – This section must be signed for your instructions to be executed**

I/We authorise you to act in accordance with the instructions set out above. We acknowledge that these instructions supersede and priority over all previous instructions.

Director

Director/Company Secretary

Sole Director and Sole Company Secretary

Day	Month	Year
/	/	

## How to complete this form

**A**

### Appointment of Corporate Representative

Enter the name of the person you wish to appoint as a corporate representative  
Indicate whether this appointment is for one specific meeting or all future meetings. If it is only for one specific meeting, enter the date of that meeting.  
State if there are any restrictions to the representative's power and, if so, describe these.  
Please enter contact details so that we can call you in the instance we have a query regarding this form.

**B**

### Signature(s)

You must sign this form as follows in the space provided:  
Companies: this form must be signed by either 2 Directors or a Director and a Company Secretary. Alternatively, where the company has a Sole Director and, pursuant to the Corporations Act, there is no Company Secretary, or where the Sole Director is also the Sole Company Secretary, that Director may sign alone. Delete titles as applicable.