

**Form 603**

Corporations Act 2001

Section 671B

**Notice of initial substantial holder**To Company Name/Scheme **Change Financial Limited**ACN/ARSN **150 762 351****1. Details of substantial holder (1)**Name **Change Financial Limited**ACN/ARSN (if applicable) **150 762 351**The holder became a substantial holder on **20/02/2023****2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
<b>Fully paid ordinary class shares (Shares)</b>	<b>114,300,000</b>	<b>114,300,000</b>	<b>18.21%</b>

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
<b>Change Financial Limited and its subsidiaries (Change)</b>	<b>Restrictions on the disposal of the Shares give Change a deemed relevant interest under section 608(1)(c) of the Corporations Act 2001 (Cth). Refer to the annexed Subscription Agreement which includes the relevant Escrow Provisions.</b>	<b>114,300,000 Shares</b>

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
<b>Change Financial Limited and its subsidiaries</b>	<b>FinTech HQ Pty Ltd</b>	<b>FinTech HQ Pty Ltd</b>	<b>114,300,000 Shares</b>

**5. Consideration**

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
<b>Change Financial Limited and its subsidiaries</b>	<b>20.02.2023</b>	<b>N/A</b>	<b>N/A</b>	<b>114,300,000 Shares</b>

## 6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
<b>Change Financial Limited and its subsidiaries</b>	<b>Change Financial and its subsidiaries are associated under section 12(2) (a) of the Corporations Act 2001 (Cth)</b>

## 7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
<b>Change Financial Limited</b>	<b>Level 11, 82 Eagle Street, Brisbane QLD 4001</b>
<b>FinTech HQ Pty Ltd</b>	<b>PO Box 9360, Sale VIC 3853</b>

## Signature

print name **Adam Gallagher**

capacity **Secretary**

sign here

date **20/02/2023**

## DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
  - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (8) If the substantial holder is unable to determine the identity of the person ( eg. if the relevant interest arises because of an option) write

"unknown".

- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

For personal use only

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Change Financial Limited

FinTech HQ Pty Ltd

# Subscription Agreement

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16 February 2023

2023

## Parties

**Change Financial Limited** ACN 150 762 351 of Level 11, 82 Eagle Street, Brisbane, QLD 4000, Australia (**Change Financial**)

**FinTech HQ Pty Ltd** ACN 664 484 306 of Unit 8/41 Bells Line Of Road, North Richmond, NSW 2754, Australia (**Investor**)

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## Background

Change Financial has agreed to issue the Subscription Shares to the Investor, and the Investor has agreed to subscribe for those Subscription Shares, in accordance with the terms of this document.

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## Agreed terms

### 1 Interpretation

#### 1.1 Definitions

In this document:

**ASX** means ASX Limited ABN 98 008 624 691 or the securities exchange operated by it, as the context requires.

**Business Day** means a day other than a Saturday, Sunday or public holiday in Sydney, New South Wales.

**Change Financial Account** has the meaning given to it in **clause 2.4**.

**Change Financial's Employee Share and Option Plan** means the equity incentive scheme adopted by the Company on 24 November 2022 at the Company's 2022 Annual General Meeting.

**Change Financial Group** means Change Financial and its Subsidiaries.

**Change Financial Group Member** means each member of the Change Financial Group.

**Control** has the meaning given to that term in section 50AA of the Corporations Act, and in relation to a trust means any person or entity who has the capacity to determine the outcome of decisions by the trustee of the trust, and **Controlled** has a corresponding meaning.

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

**Dealing** means to directly or indirectly:

- (a) sell, assign, transfer or otherwise dispose of, or agree or offer to sell, assign, transfer or otherwise dispose of, the Subscription Shares or any legal or beneficial interest in those Subscription Shares;
- (b) create, or agree or offer to create, any Security Interest in the Subscription Shares or any legal or beneficial interest in those Subscription Shares;
- (c) enter into any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise dispose of the Subscription Shares; or
- (d) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the Subscription Shares or any legal or beneficial interest in those Subscription Shares, or enter into an agreement to do those things,

other than, in the case of paragraphs (a), (c) and (d) above, where such sale, assignment, transfer or disposal of, or such agreement, option or offer to sell, assign, transfer or dispose of, or such act or omission having the effect of transferring, directly or indirectly, effective ownership or control of, the Subscription Shares or any legal or beneficial interest in those Subscription Shares arises solely and directly as a result of:

- (e) a bona fide third-party tender offer for all shares in the Investor, merger, consolidation or other similar transaction made to all holders of the Investor's shares involving a change of control of the Investor; or
- (f) a bona fide third-party offer for all or substantially all of the assets of the Investor approved by the Investor's board of directors and the Investor's shareholders,

and **Deal** or **Dealt** has a corresponding meaning.

**Discounted Capital Raising** means an issue of any Share by Change Financial within 12 months from the Subscription Date at an issue price per Share which is less than the Subscription Price (other than as a result of the conversion of options to subscribe for Shares under Change Financial's Employee Share and Option Plan).

**Encumbrance** means an interest or power:

- (a) reserved in or over an interest in any asset; or
- (b) created or otherwise arising in or over any interest in any asset under any mortgage, charge, pledge, lien, hypothecation, trust or bill of sale,

by way of security for the payment of a debt or other monetary obligation or the performance of any other obligation.

**Escrow Period** means the period commencing on the Subscription Date and ending on the earlier of:

- (a) 12 months and one day from the Subscription Date; or
- (b) the date on which Change Financial issues Shares pursuant to a Discounted Capital Raising.

**Execution Date** means the date this document is executed by the parties.

**Holding Lock** has the meaning in section 2 of the Settlement Operating Rules of ASX Settlement Pty Ltd ABN 49 008 514 532.

**Insolvency Event** means:

- (a) a party is or states that it is unable to pay from its own money all its debts as and when they become due and payable;
- (b) a party is taken or must be presumed to be insolvent or unable to pay its debts under any applicable legislation;
- (c) an application or order is made for the winding up or dissolution of a party or a resolution is passed or any steps are taken to pass a resolution for its winding up or dissolution;
- (d) an administrator, provisional liquidator, liquidator or person having a similar or analogous function under the laws of any relevant jurisdiction is appointed in respect of a party or any action is taken to appoint any such person and the action is not stayed, withdrawn or dismissed within seven days;
- (e) a controller (as defined in the Corporations Act) is appointed in respect of any property of a party;
- (f) a party is deregistered under the Corporations Act or notice of its proposed deregistration is given to the corporation;
- (g) execution is levied or becomes enforceable against any property of a party;
- (h) a party enters into or takes any action to enter into an arrangement (including a scheme of arrangement or deed of company arrangement), composition or compromise with, or assignment for the benefit of, all or any class of its creditors or members or a moratorium involving any of them; or
- (i) anything analogous to or of a similar effect to anything described above under the law of any relevant jurisdiction occurs in respect of a party.

**Listing Rules** means the Listing Rules of the ASX and any other rules of the ASX which are applicable while Change Financial is admitted to the Official List of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

**Official List** has the meaning given to it in the Listing Rules.

**Permitted Dealings** means each of the following events:

- (a) subject to clause 3.3(b), the acceptance of a bona fide third-party takeover bid made under Chapter 6 of the Corporations Act in respect of the Shares, provided that the holders of at least half of the Shares to

which the offers under the bid relate (excluding any Shares subject to this document), have accepted the bid;

- (b) subject to clause 3.3(b), the transfer or cancellation of Shares in Change Financial as part of a scheme of arrangement under Part 5.1 of the Corporations Act;
- (c) subject to clause 3.3(b), the transfer of Shares to a Related Entity, where that transfer does not require disclosure under Chapter 6D of the Corporations Act and also enters into an escrow arrangement with Change Financial in respect of those Subscription Shares on substantially the same terms as this document for the remainder of the Escrow Period,

provided that, in each of (a), (b) and (c) above, if any or all Subscription Shares are not transferred or cancelled in accordance with such Permitted Dealing for any reason, then the Investor agrees that the restrictions applying to the Subscription Shares under clause 2.7 will continue to apply and without limiting the foregoing, any Holding Lock will be reapplied to all Subscription Shares not so transferred or cancelled pursuant to the Permitted Dealing;

- (d) any Dealing which arises in connection with an equal access share buyback, equal capital return or equal capital reduction made in accordance with the Corporations Act;
- (e) the grant of a Security Interest over any (or all) of the Subscription Shares to a bona fide third party financial institution (**Financial Institution**) as security for a loan, hedge or other financial accommodation provided that any agreement with a Financial Institution must provide that the Subscription Shares are to remain in escrow during the Escrow Period applying with respect to the Subscription Shares and subject to the terms of this document as if the Financial Institution were a party to this document;
- (f) any Dealing consented to by Change Financial in writing; and
- (g) any Dealing which arises as a requirement of an applicable law (including an order of a court or competent jurisdiction).

**Related Entity** means any entity, fund or other vehicle that is directly or indirectly Controlled by the Investor, Michael H. Giles or a Relative of Michael H. Giles and any entity within the meaning of "related entity" given in the Corporations Act.

**Relative** has the meaning given to that term in the Corporations Act.

**Security Interest** means:

- (a) an interest in or right:
  - (i) reserved over property (including any retention of title to property or any right to set off or withhold payment of any deposit or other money); or

- (ii) created or otherwise arising over property under a mortgage, charge, bill of sale (as defined in any relevant statute), lien, pledge, trust or right,

by way of security for the payment of a debt or other monetary obligation or the performance of or compliance with any other obligation; and

- (b) any instrument or transaction which reserves, constitutes or evidences the interests and rights referred to in paragraph (a).

**Shares** means fully paid ordinary shares in the capital of Change Financial.

**Subscription Amount** means the Subscription Price multiplied by the number of Subscription Shares.

**Subscription Completion** means the settlement of the issue of the Subscription Shares under this document.

**Subscription Date** means the date that Subscription Completion occurs in accordance with clause 2.

**Subscription Price** means A\$0.060 per Share.

**Subscription Shares** means 114,300,000 Shares.

**Subsidiary** has the meaning given to it in the Corporations Act.

**US Person** has the meaning set out in clause 4.2(a)(vi).

**US Securities Act** has the meaning set out in clause 4.2(a)(vi).

## 1.2 Construction

Unless expressed to the contrary, in this document:

- (a) words in the singular include the plural and vice versa;
- (b) any gender includes the other genders;
- (c) if a word or phrase is defined its other grammatical forms have corresponding meanings;
- (d) "includes" means includes without limitation;
- (e) no rule of construction will apply to a clause to the disadvantage of a party merely because that party put forward the clause or would otherwise benefit from it;
- (f) a reference to:
  - (i) a person includes a partnership, joint venture, unincorporated association, corporation and a government or statutory body or authority;
  - (ii) a person includes the person's legal personal representatives, successors, assigns and persons substituted by novation;
  - (iii) any legislation includes subordinate legislation under it and includes that legislation and subordinate legislation as modified or replaced;

- (iv) an obligation includes a warranty or representation and a reference to a failure to comply with an obligation includes a breach of warranty or representation;
- (v) a right includes a benefit, remedy, discretion or power;
- (vi) time is to local time in Sydney, New South Wales, Australia;
- (vii) "\$", "A\$" or "dollars" is a reference to Australian currency;
- (viii) this or any other document includes the document as novated, varied or replaced and despite any change in the identity of the parties;
- (ix) writing includes any mode of representing or reproducing words in tangible and permanently visible form, and includes fax transmissions;
- (x) this document includes all schedules and annexures to this document to the extent expressly incorporated by the terms of this document; and
- (xi) a clause, schedule or annexure is a reference to a clause, schedule or annexure, as the case may be, of this document;
- (g) if the date on or by which any act must be done under this document is not a Business Day, the act must be done on or by the next Business Day; and
- (h) where time is to be calculated by reference to a day or event, that day or the day of that event is excluded.

## 2 Share Subscription

### 2.1 General

The Investor agrees to subscribe for and Change Financial agrees to issue to the Investor the Subscription Shares for the Subscription Price on the terms set out in this document.

### 2.2 Subscription

- (a) As soon as practicable, and no later than five (5) Business Days, after the execution of this document the Investor must procure that the Subscription Amount is paid to the Change Financial Account.
- (b) On the day that the Subscription Amount is received in the Change Financial Account in accordance **with clause 2.2(a)** or the following Business Day, Change Financial must issue the Subscription Shares to the Investor.
- (c) Between the receipt of the Subscription Amount from the Investor and the issue of the Subscription Shares, Change Financial holds the Subscription Amount on trust for the Investor.

## **2.3 Constitution**

On issue of the Subscription Shares, the Investor agrees that it will be bound by the constitution of Change Financial.

## **2.4 Payments**

All payments by the Investor under this document must be made into the following bank account (**Change Financial Account**):

Account Name:	Change Financial Limited
Bank:	Commonwealth Bank of Australia
Bank Address:	240 Queen St, Brisbane QLD 4000, Australia
SWIFT:	CTBAAU2S
BSB:	064 000
Account Number:	1595 1047

## **2.5 Issue of Subscription Shares**

When issuing the Subscription Shares, Change Financial must:

- (a) issue or procure the issue to the Investor of the Subscription Shares free from all Encumbrances on the basis that they rank equally in all respects, including in respect of any rights, with Shares on issue on the date of issue;
- (b) enter the name and address of the Investor in the register of members of Change Financial in respect of the relevant Subscription Shares; and
- (c) give a relevant holding statement in respect of the Subscription Shares.

## **2.6 Quotation of Shares**

Change Financial must apply to ASX for, and use all reasonable endeavours to obtain, official quotation of the Subscription Shares within one Business Day of the allotment to the Investor.

## **2.7 Cleansing notice**

Change Financial must provide a notice given under section 708A(5)(e)(i) of the Corporations Act which complies with the requirements of section 708A(6) of the Corporations Act to ASX within one Business Day of the date the Subscription Shares are issued to the Investor.

# **3 Escrow**

## **3.1 Escrow restrictions**

- (a) Subject to clause 3.3, the Investor must not Deal in the Subscription Shares during the Escrow Period.
- (b) The parties acknowledge and agree that:

- (i) on the Subscription Date, the Subscription Shares will be registered and held for the Investor; and
- (ii) Change Financial may apply a Holding Lock to the Subscription Shares as soon as practicable after registration of the Subscription Shares on Change Financial's sub-register and the Investor hereby agrees to the application of the Holding Lock, and
- (c) if applicable, Change Financial will procure that any Holding Lock applied is released, and will not unreasonably withhold its consent to such release:
  - (i) to the extent necessary to permit disposals of Subscription Shares permitted by clause 3.3; and
  - (ii) in full and immediately upon the conclusion of the Escrow Period, including notifying ASX that the Subscription Shares will be released from any Holding Lock, in accordance with the timing requirements set out in Listing Rule 3.10A.

### **3.2 Voting**

During the Escrow Period, the Investor may exercise in its discretion all voting rights attached to the Subscription Shares.

### **3.3 Permitted Dealings**

- (a) Subject to subclause 3.3(b), the Investor will be entitled to enter into and complete a Permitted Dealing during the Escrow Period. To the extent that the Investor requests consent from Change Financial to any Dealing during the Escrow Period for the purposes of paragraph (f) of the definition of "Permitted Dealings", Change Financial agrees that, where giving consent to such request is in the best interests of Change Financial and the Investor, its consent will not be unreasonably withheld or delayed.
- (b) If a Permitted Dealing commences and any or all Subscription Shares are not transferred or cancelled in accordance with such Permitted Dealing for any reason, then the Investor agrees that the restrictions applying to the Subscription Shares under this clause 2.7 will continue to apply and without limiting the foregoing, any Holding Lock will be reapplied to all Subscription Shares not so transferred or cancelled pursuant to the Permitted Dealing.

### **3.4 Notice of Permitted Dealing**

If the Investor becomes aware:

- (a) that it has Dealt in any relevant Subscription Shares, or that it is likely to Deal, during the relevant Escrow Period; or
- (b) of any matter which is likely to give rise to the Investor taking part in Dealing in any relevant Subscription Shares during the relevant Escrow Period,

it must notify Change Financial as soon as practicable after becoming aware of the actual or potential Dealing or the matters giving rise to the Dealing, providing full details.

### **3.5 Consequences of breach**

If the Investor breaches this clause 2.7, Change Financial may:

- (a) take the steps necessary to rectify the breach;
- (b) to the extent permitted by law, the Corporations Act and the Listing Rules, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion or other disposal of any of the Subscription Shares;
- (c) sue the Investor for breach of contract; or
- (d) do all or any of the above things at its option; and

the parties agree that damages would be an insufficient remedy for breach of this clause 2.7 and the Investor agrees that Change Financial is entitled to seek and obtain an injunction or specific performance to enforce the Investor's obligations under this clause 2.7 without proof of actual damage and without prejudice to any of its other rights or remedies.

## **4 Warranties**

### **4.1 Warranties by Change Financial**

- (a) Change Financial represents and warrants to the Investor that each of the warranties set out below is true and complete:
  - (i) it and each other Change Financial Group Member is a body corporate duly incorporated under the laws of its country of incorporation;
  - (ii) it and each other Change Financial Group Member has the power to own its assets and to carry on its business as now conducted or contemplated;
  - (iii) it has the corporate power to enter into and perform or cause to be performed its obligations under this document and to carry out the transactions contemplated by this document;
  - (iv) it has taken or will take all necessary corporate action to authorise the entry into and performance of this document and to carry out the transactions contemplated by this document;
  - (v) this document is a valid and binding obligation enforceable in accordance with its terms, subject to any necessary stamping;
  - (vi) the execution and performance by it of this document and the transactions contemplated by it did not and will not breach its constitution or any other document or agreement that is binding on it or its assets or give any person any rights of termination or

cancellation of or right to accelerate any payment under any document or agreement or any right to be issued further shares;

- (vii) as at the Execution Date, other than the outstanding options to subscribe for up to 6,050,000 Shares issued or to be issued under Change Financial's Employee Share and Option Plan, neither Change Financial nor any other Change Financial Group Member is under any obligation (including, any obligation which is conditional or which may arise in the future upon the occurrence or non-occurrence of any event) to issue any Shares or securities convertible into shares to any person;
  - (viii) the Subscription Shares will be issued free from any Encumbrance and will rank equally with all other Shares on issue in all respects, including in respect of any rights;
  - (ix) Change Financial has not issued the Subscription Shares with the purpose of the Investor Dealing with any of the Subscription Shares for a period of at least twelve (12) months from the Subscription Date;
  - (x) it is able to issue a notice under section 708A(5)(e)(i) of the Corporations Act which complies with the requirements of section 708A(6) of the Corporations Act in respect of the issue of the Subscription Shares;
  - (xi) other than as disclosed to the Investor prior to the date of this document, it is not aware of any "excluded information" within the meaning of section 708A(7) of the Corporations Act which has not previously been announced to the ASX; and
  - (xii) no Change Financial Group Member is or carries on a "national security business" within the meaning set out in the *Foreign Acquisitions and Takeovers Regulation 2015* (Cth).
- (b) Change Financial agrees to indemnify the Investor from any liability or loss that may be incurred or sustained by the Investor as a result of any of the warranties set out in **clause 4.1(a)** not being true and complete when given.

## 4.2 Warranties by Investor

- (a) The Investor represents and warrants to Change Financial that each of the warranties set out below is true and accurate:
  - (i) it is a body corporate duly incorporated under the laws of Australia;
  - (ii) it has the power to own its assets and to carry on its business as now conducted or contemplated;
  - (iii) it has the corporate power to enter into and perform or cause to be performed its obligations under this document and to carry out the transactions contemplated by this document;

- (iv) it has taken or will take all necessary corporate action to authorise the entry into and performance of this document and to carry out the transactions contemplated by this document;
- (v) the Investor has no present intention of Dealing with of any of the Subscription Shares and is purchasing the Subscription Shares for investment purposes;
- (vi) the Investor understands that the Subscription Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States, by reason of a specific exemption from the registration provisions of the US Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Investor's representations and warranties as expressed herein, and that such Subscription Shares may not be offered or sold by the Investor unless they have been registered under the US Securities Act or are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable securities laws of any state or other jurisdiction of the United States;
- (vii) the Investor is an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the US Securities Act as set out more specifically in the Accredited Investor Questionnaire **attached** as Annex A hereto, which is incorporated herein by this reference;
- (viii) the Investor confirms that it is:
- (A) eligible to subscribe for the Subscription Shares under applicable securities laws;
  - (B) not purchasing the Subscription Shares as a result of any form of "general solicitation" or "general advertising" (within the meaning of Rule 502(c) under the US Securities Act) or in any manner involving a public offering in the United States within the meaning of section 4(a)(2) of the US Securities Act; and
  - (C) complying with the laws of the jurisdictions applicable to it in connection with the offer and sale of the Subscription Shares;
- (ix) the Investor understands that Change Financial has no obligation or intention to register the Subscription Shares under the US Securities Act, and no obligation to comply with the requirements for any exemption or safe harbor from the registration requirements of the US Securities Act to facilitate resale of the Subscription Shares;

- For personal use only
- (x) (i) the Investor has such knowledge and experience in financial and business matters that the Investor is capable of evaluating, and has evaluated, the merits and risks (including for tax, legal, regulatory, accounting and other financial purposes) of acquiring any Subscription Shares, (ii) the Investor (A) is financially able to bear the economic risk of an investment in the Subscription Shares, (B) has adequate means to provide for its current needs and other contingencies and to withstand the loss of the entire investment in the Subscription Shares, (C) understands that it may be necessary to hold the Subscription Shares indefinitely, and (D) and has no need for liquidity with respect to its investment in the Subscription Shares, (iii) in making its investment in the Subscription Shares, the Investor is not relying on the advice or recommendations of Change Financial, or any of its affiliates (as such term is defined in Rule 501(b) of the US Securities Act) and advisers, and (iv) the Investor has determined that an investment in the Subscription Shares is suitable and appropriate, both in the nature and number of the Subscription Shares being acquired;
  - (xi) the Investor has made and relied upon its own assessment of, and sought any advice it deems necessary from its own advisors, regarding Change Financial and has conducted its own investigations with respect to the Subscription Shares, including, without limitation, the particular U.S. federal, state, local and foreign tax consequences of the purchase, ownership and disposition of securities of Change Financial and the Subscription Shares, in light of its particular situation as well as any consequences arising under the laws of any other taxing jurisdiction;
  - (xii) this document is a valid and binding obligation enforceable in accordance with its terms, subject to any necessary stamping; and
  - (xiii) the execution and performance by it of this document did not and will not breach its constitution or any other document or agreement that is binding on it or its assets or give any person any rights of termination or cancellation of any document or agreement.
- (b) The Investor acknowledges that the offering and sale of the Subscription Shares are being made in reliance on an exemption from the registration requirements of the US Securities Act, and that Change Financial's reliance on such exemption is predicated in part on the acknowledgements, representations, warranties and undertakings of the Investor contained in this document, including those set out in the Accredited Investor Questionnaire attached as Annex A hereto. Accordingly, the Investor agrees that if any of the acknowledgements, representations, warranties or undertakings made by it in connection with its purchase of the Subscription Shares is no longer accurate, the Investor will promptly notify Change Financial accordingly.

- (c) The Investor indemnifies Change Financial from any liability or loss that may be incurred or sustained by Change Financial as a result of any of the warranties set out in this **clause 4.2** not being true and complete when made.

#### **4.3 Warranties repeated at Subscription Completion**

The warranties given by Change Financial and the Investor are given:

- (a) in respect of each warranty which is expressed to be given on a particular date, on that date; and
- (b) in respect of each other warranty, on the Execution Date and on the Subscription Date.

## **5 Confidentiality**

### **5.1 Confidentiality**

Subject to **clause 5.2**:

- (a) the negotiations of the parties relating to, and the subject matter and terms of this document must be kept confidential and may only be disclosed by a party to its professional advisers on condition that they agree to be bound by the terms of this clause, or to other persons with the prior approval of all the other parties; and
- (b) no party may make any press release or announcement in relation to the subject matter of this document without the prior approval of the other party (which must not be unreasonably withheld).

### **5.2 Exceptions**

**Clause 5.1** does not apply to the extent reasonably necessary:

- (a) to enable a party to comply with the law or the requirements of any stock exchange (including but not limited to compliance with section 671B of the Corporations Act); and
- (b) to enable it to enforce its rights or to defend any claim under or in connection with this document.

In each of the above circumstances the parties will, to the extent that it is practicable to do so, endeavour to keep the other reasonably informed about the circumstances giving rise to the disclosure obligation and notify the other of the disclosure requirement and consult with that party prior to making the disclosure.

## 6 Termination rights

### 6.1 Investor termination events

The Investor may terminate this document prior to the issue of the Subscription Shares by notice in writing to Change Financial if any of the following events occur:

- (a) there is a material breach by Change Financial of any warranty given by Change Financial in this document or of any of its obligations under this document and Change Financial has failed to remedy that breach following notice from Investor specifying the breach and requiring remedy of the breach by the date which is five Business Days after the notice is given; or
- (b) there is an Insolvency Event in relation to any Change Financial Group Member.

### 6.2 Change Financial termination events

Change Financial may terminate this document by notice in writing to the Investor if any of the following events occur:

- (a) there is a material breach by the Investor of any warranty given by the Investor in this document or of any of its obligations under this document and the Investor has failed to remedy that breach following notice from Change Financial specifying the breach and requiring remedy of the breach by the date which is five Business Days after the notice is given; or
- (b) there is an Insolvency Event in relation to the Investor.

### 6.3 Effect of termination

If the agreement evidenced by this document is terminated under this **clause 6**, this document (except for **clauses 2.7, 5 and 9**) is of no further effect and:

- (a) the parties are released from any further obligations under this document; but
- (b) the parties remain liable for any breach committed before that termination.

## 7 Notices

### 7.1 General

A notice, demand, certification, process or other communication relating to this document must be in writing in English and may be given by an agent of the sender.

## 7.2 How to give a communication

In addition to any other lawful means, a communication may be given by being:

- (a) personally delivered;
- (b) left at the party's current address for notices;
- (c) sent to the party's current address for notices by pre-paid ordinary mail or, if the address is outside Australia, by pre-paid airmail; or
- (d) sent by email to the party's current email address for notices provided the subject of the email is "Notice under Subscription Agreement".

## 7.3 Particulars for delivery of notices

- (a) The particulars for delivery of notices are initially:

### **Change Financial**

Address: Level 11, 82 Eagle Street, Brisbane, QLD 4000, Australia

Email: tom.russell@changefinancial.com

Attention: Tom Russell

### **Investor**

Address: Unit 8/41 Bells Lin Of Road, North Richmond, NSW 2754, Australia

Email: michaelhgiles@gmail.com

Attention: Michael H. Giles

- (b) Each party may change its particulars for delivery of notices by notice to each other party.

## 7.4 Communications by post or in person

Subject to **clause 7.6**, a communication by post or in person is taken to be received:

- (a) if left at the address of the addressee, at the time it is left;
- (b) if it is posted:
  - (i) within Australia to an Australian address, three Business Days after posting; or
  - (ii) in any other case, ten Business Days after posting.

## 7.5 Communications by email

Subject to **clause 7.6**, a communication is given if sent by email three hours after the time the email is sent unless the sender receives, within that three hour period, an automated message that the email has not been delivered.

## 7.6 After hours communications

If a communication is given:

- (a) after 5.00 pm in the place of receipt; or

- (b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt,

it is taken as having been given at 9.00 am on the next day which is not a Saturday, Sunday or bank or public holiday in that place.

## **7.7 Process service**

Any process or other document relating to litigation, administrative or arbitral proceedings relating to this document may be served by any method contemplated by this **clause 7** or in accordance with any applicable law.

# **8 GST**

## **8.1 Construction**

In this **clause 8**, and unless the context requires otherwise in this document:

- (a) words and expressions which are not defined in this document but which have a defined meaning in GST Law have the same meaning as in the GST Law; and
- (b) **GST Law** has the same meaning given to that expression in the *A New Tax System (Goods and Services Tax) Act 1999*.

## **8.2 Consideration GST exclusive**

Unless otherwise expressly stated, all prices or other sums payable or consideration to be provided under this document are exclusive of GST.

## **8.3 Payment of GST**

If GST is payable by a supplier or by the representative member for a GST group of which the supplier is a member, on any supply made under this document, the recipient will pay to the supplier an amount equal to the GST payable on the supply.

## **8.4 Timing of GST payment**

The recipient will pay the amount referred to in **clause 8.3** in addition to and at the same time that the consideration for the supply is to be provided under this document.

## **8.5 Tax invoice**

The supplier must deliver a tax invoice or an adjustment note to the recipient before the supplier is entitled to payment of an amount under **clause 8.3**. The recipient can withhold payment of the amount until the supplier provides a tax invoice or an adjustment note, as appropriate.

## **8.6 Adjustment event**

If an adjustment event arises in respect of a taxable supply made by a supplier under this document, the amount payable by the recipient under **clause 8.3** will be recalculated to reflect the adjustment event and a payment will be made by

the recipient to the supplier or by the supplier to the recipient as the case requires.

## **8.7 Reimbursements**

Where a party is required under this document to pay or reimburse an expense or outgoing of another party, the amount to be paid or reimbursed by the first party will be the sum of:

- (a) the amount of the expense or outgoing less any input tax credits in respect of the expense or outgoing to which the other party, or to which the representative member for a GST group of which the other party is a member, is entitled; and
- (b) if the payment or reimbursement is subject to GST, an amount equal to that GST.

## **9 General**

### **9.1 Duty**

- (a) Change Financial as between the parties is liable for and must pay all duty (including any fine or penalty except where it arises from default by the other party) on or relating to this document, any document executed under it or any dutiable transaction evidenced or effected by it.
- (b) If a party other than Change Financial pays any duty (including any fine or penalty) on or relating to this document, any document executed under it or any dutiable transaction evidenced or effected by it, Change Financial must pay that amount to the paying party on demand.

### **9.2 Legal costs**

Except as expressly stated otherwise in this document, each party must pay its own legal and other costs and expenses of negotiating, preparing, executing and performing its obligations under this document.

### **9.3 Amendment**

This document may only be varied or replaced by a document executed by the parties.

### **9.4 Waiver and exercise of rights**

- (a) A single or partial exercise or waiver by a party of a right relating to this document does not prevent any other exercise of that right or the exercise of any other right.
- (b) A party is not liable for any loss, cost or expense of any other party caused or contributed to by the waiver, exercise, attempted exercise, failure to exercise or delay in the exercise of a right.

**9.5 No merger**

The warranties, undertakings and indemnities in this document do not merge on Subscription Completion occurring in relation to the issue of the Subscription Shares.

**9.6 Rights cumulative**

Except as expressly stated otherwise in this document, the rights of a party under this document are cumulative and are in addition to any other rights of that party.

**9.7 Consents**

Except as expressly stated otherwise in this document, a party may conditionally or unconditionally give or withhold any consent to be given under this document and is not obliged to give its reasons for doing so.

**9.8 Further steps**

Each party must promptly do whatever the other party reasonably requires of it to give effect to this document and to perform its obligations under it.

**9.9 Governing law and jurisdiction**

- (a) This document is governed by and is to be construed in accordance with the laws applicable in New South Wales.
- (b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

**9.10 Assignment**

- (a) A party must not assign or deal with any right under this document without the prior written consent of the other parties.
- (b) Any purported dealing in breach of this clause is of no effect.

**9.11 Counterparts**

This document may consist of a number of counterparts and, if so, the counterparts taken together constitute one document.

**9.12 Entire understanding**

- (a) This document contain the entire understanding between the parties as to the subject matter of this document.
- (b) All previous negotiations, understandings, representations, warranties, memoranda or commitments concerning the subject matter of this document are merged in and superseded by this document and are of no effect. No party is liable to any other party in respect of those matters.
- (c) No oral explanation or information provided by any party to another:
  - (i) affects the meaning or interpretation of this document; or

- (ii) constitutes any collateral agreement, warranty or understanding between any of the parties.

#### **9.13 Relationship of parties**

This document is not intended to create a partnership, joint venture or agency relationship between the parties.

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**Executed** as a deed.

**Executed by Change Financial Limited ACN 150 762 351** in accordance with section 127 of the *Corporations Act 2001* (Cth) ) )

*Alastair Wilkie*  
.....  
Company Secretary/Director  
Alastair wilkie  
.....  
Name of Company Secretary/Director (print)

*Thomas Russell*  
.....  
Director  
Thomas Russell  
.....  
Name of Director (print)

**Executed by FinTech HQ Pty Ltd ACN 664 484 306** in accordance with section 127 of the *Corporations Act 2001* (Cth) ) )

*Litsa Giles*  
.....  
Company Secretary/Director  
Litsa Giles  
.....  
Name of Company Secretary/Director (print)

*Michael Giles*  
.....  
Director  
Michael Giles  
.....  
Name of Director (print)

**Annex A****Accredited Investor Questionnaire**

**Change Financial Limited ACN 150 762 351 of Level 11, 82 Eagle Street,  
Brisbane, QLD 4000, Australia**

Dear Investor:

The following information is furnished to you in order for you to determine whether the undersigned Investor (who is a U.S. citizen or resident or, if a legal entity, is organized under the laws of a U.S. state or other jurisdiction or has its principal place of business in the United States or is otherwise a "U.S. person", as defined in Rule 902(k) under the U.S. Securities Act of 1933 (the **US Securities Act**)) is qualified to invest in the Shares being issued by Change Financial Limited, a Australian corporation (the **Company**), pursuant to an exemption from registration under Section 4(a)(2) of the US Securities Act. I understand that you will rely upon the following information for purposes of such determination, and that my failure to provide you with accurate and complete information may disqualify the Subscription Shares from qualification for future exemption from registration under the US Securities Act or the relevant state or other jurisdiction's securities laws.

ALL INFORMATION CONTAINED IN THIS QUESTIONNAIRE WILL BE TREATED CONFIDENTIALLY. However, I agree that you may present this questionnaire to such parties as you deem appropriate if called upon to establish that the proposed offer and sale of the Subscription Shares is exempt from registration under the US Securities Act or meets the requirements of applicable state securities laws.

I hereby provide you with the following representations and information:

1. Name of Business: FinTech HQ Pty Ltd
2. Business Address & Telephone No.: Unit 8/41 Bells Line Of Road NORTH RICHMOND
3. Based on the definition of Accredited Investor which appears below, I am an Accredited Investor or, in the case of the investment being made by an entity rather than a natural person, I am the authorized representative of an Accredited Investor. (please initial)

Yes ☒

No ☐

If my answer is yes, I am an Accredited Investor within the meaning of Rule 501(a) under the US Securities Act because I fall within one of the following categories:

(PLEASE INITIAL APPROPRIATE CATEGORY IN SPACE PROVIDED AT LEFT)

- (1) ☐ I am natural person whose individual net worth, or joint net worth with that of my spouse, at the time of this purchase exceeds US\$1,000,000, excluding the value of the primary

residence of such natural person and excluding indebtedness that is secured by the person's primary residence up to the estimated fair market value of the primary residence;

- (2) \_\_\_\_\_ I am a natural person who had an individual income in excess of US\$200,000 in each of the two most recent years and who reasonably expects an income in excess of US\$200,000 in the current year;
- (3) \_\_\_\_\_ My spouse and I have had joint income from the two most recent years in excess of US\$300,000 and we expect our joint income to be in excess of US\$300,000 for the current year;
- (4) \_\_\_\_\_ I am the authorized representative of (i) a trust, with total assets in excess of US\$5,000,000, not formed for the specific purpose of purchasing the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) promulgated under the US Securities Act, (ii) a trust that is revocable by its grantors and all grantors are Accredited Investors as described herein;
- (5) *MG* \_\_\_\_\_ I am the authorized representative of an organization described in Section 501(c)(3) of the Internal Revenue Code, or an entity, a corporation, a Massachusetts Business Trust or a partnership not formed for the specific purpose of acquiring the securities offered, in each case, possessing total assets in excess of US\$5,000,000;
- (6) \_\_\_\_\_ I am the authorized representative of (i) a bank as defined in Section 3(a)(2) of the US Securities Act whether acting in its individual or fiduciary capacity; (ii) an insurance company as defined in Section 2(a)(13) of the US Securities Act; (iii) an investment company registered under the Investment Company Act of 1940 (**Investment Company Act**) or a business development company as defined in Section 2(a)(48) of the Investment Company Act; (iv) a Small Business Investment company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; (v) a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940 (**Investment Advisers Act**); or (vi) a Rural Business Investment Company as defined in Section 384A of the U.S. Consolidated Farm and Rural Development Act;
- (7) \_\_\_\_\_ I am the authorized representative of a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act;
- (8) \_\_\_\_\_ I am the authorized representative of an employee benefit plan within the meaning of Title I of the Employee Retirement Income Securities Act of 1974 (**ERISA**), if (i) the investment

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decision is to be made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, insurance company, or registered investment adviser, (ii) the employee benefit plan has total assets in excess of US\$5,000,000 or (iii) a self-directed employee benefit plan, the investment decisions are made solely by persons who are Accredited Investors;

- (9) I am the authorized representative of a plan established and maintained by a state, its political subdivisions or an agency or instrumentality of a state or its political subdivisions for the benefit of its employees, with total assets in excess of US\$5,000,000;
- (10) I am a registered broker dealer registered pursuant to Section 15 of the Securities and Exchange Act of 1934;
- (11) I am an investment adviser that is (i) registered pursuant to Section 203 of the Investment Advisers Act; (ii) registered pursuant to the laws of a U.S. state; or (iii) relying on the exemption from registering with the Securities and Exchange Commission (**SEC**) under Section 203(l) or (m) of the Investment Advisers Act;
- (12) I am an authorized representative of either (i) a “family office” (as defined in Rule 202(a)(11)(G)-1 under the Investment Advisers Act), not formed for the specific purpose of acquiring the securities offered, with assets under management in excess of US\$5,000,000; or (ii) a “family client” (as defined in Rule 202(a)(11)(G)-1 under the Investment Advisers Act) of a family office with assets under management in excess of US\$5,000,000 and, in each case, whose prospective investment in the securities offered is directed by a person who has such knowledge and experience in financial and business matters that such family office or family client is capable of evaluating the merits and risks of the prospective investment;
- (13) I am a natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the SEC has designated as qualifying as an individual for accredited investor status (including (i) Licensed General Securities Representative (Series 7); (ii) Licensed Investment Adviser Representative (Series 65); and (iii) Licensed Private Securities Offerings Representative (Series 82));

- (14) I am a natural person who is a director or executive officer<sup>1</sup> of the Company;
- (15) I am a natural person who is a "knowledgeable employee" (as defined in Rule 3c-5(a)(4) under the Investment Company Act) of the Company; or
- (16) \_\_\_\_\_ I am the authorized representative of an entity in which all of the equity owners are Accredited Investors under one of the above paragraphs.

The undersigned Investor represents to the Company that the information contained herein is complete and accurate and may be relied upon by the Company, and that the undersigned will notify the Company immediately of any material change in any of such information occurring prior to the closing of the purchase of the Subscription Shares, if any. The undersigned Investor understands that an offer to the undersigned to purchase the Subscription Shares has not and shall not be made by the Company unless and until the Company has concluded, based upon the information supplied by the undersigned in this questionnaire and in the Subscription Agreement furnished to the Company, that the undersigned Investor meets all suitability requirements with respect to a purchase of the Subscription Shares.

**FinTech HQ Pty Ltd ACN 664 484 306:**

Michael Giles

By: Michael Giles

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<sup>1</sup> An "executive officer" means the president, any vice president, in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy making function, or any other person who performs similar policy making functions for the Company. Executive officers of subsidiaries of the Company may be deemed executive officers of the Company if they perform such policy making functions for the Company.