

19 August 2024

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Unaudited FY24 results, Merger with MyState, Acquisition of Selfco and Equity Raising

Auswide Bank Ltd (ASX: ABA) (Auswide) announces the following:

- Unaudited FY24 results;
- Execution of a binding Scheme Implementation Agreement (**SIA**) to merge with MyState Limited (ASX: MYS) (**MyState**) (the **Proposed Merger**) to combine two high-quality banks, significantly enhance scale and which has the potential to create shareholder value through synergy realisation¹;
- Entry into an agreement to acquire 100% of Specialist Equipment Leasing Finance Company Pty Ltd (**Selfco**), an established non-bank small-to-medium enterprise (SME) asset finance lender (the **Acquisition**); and
- Fully underwritten \$12.0 million Institutional Placement (**Placement**) and \$3.0 million non-underwritten Share Purchase Plan (**SPP** and, together with the Placement, the **Offer**) to fund Auswide's immediate regulatory Common Equity Tier 1 (**CET1**) capital requirements upon the acquisition of Selfco, Selfco's expected asset growth for ~12 months and transaction costs relating to the acquisition of Selfco and the Offer

Key highlights

Unaudited FY24 results

- > Net interest margin of 142bps, down 46bps on FY23
- > NPAT impacted by margin pressure in loan and funding markets with FY24 statutory NPAT down 55.2% on FY23 to \$11.231 million
- > Conservative loan book growth of \$26 million, or 0.6%, to \$4.429 billion
- > Credit quality and low arrears, with arrears at 0.20% of loan book
- > Customer deposits up 8.0% to \$3.686 billion, comprising 75.3% of total funding (FY23: 72.4%)
- > Balance sheet remains strong with capital adequacy ratio of 14.78%, in excess of Board target
- > Statutory ROE of 3.9%, down from 8.7% in FY23
- > Final dividend expected to be 11.0c², reflecting a payout ratio of 96.3%³ (subject to the completion of the Acquisition and the Offer). Auswide expects to maintain the Dividend Reinvestment Plan (DRP) in respect of the final dividend. It is intended shares issued under the DRP will be issued at a discount of 2.5%

Transformational Proposed Merger between Auswide and MyState to create a stronger, diversified business

- > MyState is a diversified financial services group listed on the ASX providing banking, trustee and wealth management solutions to customers across Australia
- > The Proposed Merger will be effected by way of a Scheme of Arrangement (**Scheme**), where Auswide shareholders will receive 1.112 MyState shares per Auswide share, implying a ~34% pro forma ownership of

¹ For further information (including relevant assumptions) refer to page 33 of the Investor Presentation

² The amount of any dividend paid will be at the discretion of the Auswide Board and will depend on several factors, including: (a) the recognition of profits and availability of cash for distributions; (b) the anticipated future earnings of Auswide; and (c) when the forecast timeframe for capital demands of the business allows for a prudent distribution to shareholders

³ Should the Acquisition and the Offer not complete, the dividend payout ratio is expected to be 91.1%

Small things. Big difference.

the merged group (**MergeCo**) for Auswide shareholders upon completion of the Proposed Merger (including the shares to be issued in relation to the acquisition of Selfco)

- > The Proposed Merger combines two complementary businesses with strong operational alignment via a merger of equals, with potential estimated pre-tax cost synergies of \$20 million to \$25 million per annum¹, representing approximately 13.0% to 16.0% of the combined cost base²
- > The Proposed Merger is expected to deliver significant value for shareholders with greater than 20% EPS accretion in FY25³, assuming full run-rate synergies and including shares issued in relation to the acquisition of Selfco

Acquisition of Selfco

- > Auswide announces that it has concurrently entered a binding agreement to acquire 100% of Selfco, an established non-bank SME asset finance lender
- > The strategically compelling acquisition facilitates Auswide's entry into asset finance, providing further portfolio diversification for MergeCo and driving scale by expanding MergeCo's service offering into the large addressable SME funding market
- > Total consideration of up to \$6.5 million, comprising an initial consideration of \$5.0 million (in Auswide scrip) and performance based contingent earn-out payments of up to \$1.5 million
- > Key employees, including the Managing Director, Operations Manager and Head of Programs, will enter into agreements to remain with Selfco following the Acquisition (subject to and with effect from Acquisition completion), to provide continuity and support for the ongoing success of Selfco

Fully underwritten \$12.0 million Placement and \$3.0 million non-underwritten SPP

- > Fully underwritten \$12.0 million Placement to eligible institutional, sophisticated and professional investors and non-underwritten SPP to raise up to \$3.0 million
- > Proceeds from the Offer will be used to fund Auswide's immediate regulatory CET1 capital requirements upon the acquisition of Selfco, Selfco's expected asset growth for ~12 months and transaction costs relating to the acquisition of Selfco and the Offer

¹ For further information (including relevant assumptions) refer to page 33 of the Investor Presentation

² Based on FY24 combined cost base under MyState's reporting methodology which excludes broker commissions and issuance costs from operating expenses. Under Auswide's reporting methodology, estimated cost synergies represent approximately 10% to 13% of the FY24 combined cost base

³ Excludes transaction and integration costs

Small things. Big difference.

Announcement of unaudited FY24 results¹

Auswide announces its unaudited FY24 results and FY25 outlook.

Unaudited FY24 results

	FY24 (unaudited)	FY23	Change
NPAT statutory (consolidated)	\$11.231m	\$25.067m	(55.2%)
NPAT underlying (consolidated) ²	\$10.283m	\$25.067m	(59.0%)
Loan book ³	\$4.429b	\$4.403b	\$26m
Net interest revenue	\$71.291m	\$89.182m	(20.1%)
Net interest margin (NIM)	142bps	188bps	(46bps)
Final dividend per share	11.0c ⁴	21.0c	(10.0c)
Total dividend per share	22.0c ⁴	43.0c	(21.0c)
EPS statutory	24.2c	55.6c	(31.4c)
EPS underlying ²	22.2c	55.6c	(33.4c)
ROE statutory	3.9%	8.7%	(4.8%)
ROE underlying ²	3.6%	8.7%	(5.1%)
Cost to income ratio	79.9%	65.0%	14.9%
Capital adequacy ratio	14.78%	13.70%	1.08%
Deposits	\$3.686b	\$3.414b	\$272m

- Conservative and risk-based approach to growth resulted in a steady loan book across the year increasing marginally from \$4.403b at 30 June 2023 to \$4.429b at 30 June 2024
- Customer deposits increased 8.0% across the year from \$3.414b at 30 June 2023 to \$3.686b at 30 June 2024 and continue to be the largest source of funding
- Elevated competition and substantial increases to wholesale funding triggered a decline in the NIM, down from 188bps at 30 June 2023 to 142bps at 30 June 2024
- High quality loan book reflects levels of arrears increasing from 0.10% at 30 June 2023 to 0.20% at 30 June 2024
- Strong capital adequacy ratio of 14.78% (tier 1 capital ratio of 12.12%) up from 13.70% at 30 June 2023 providing capacity to grow and invest for the future
- NPAT impacted by margin pressure in loan and funding markets with FY24 statutory NPAT down 55.2% on FY23 to \$11.231 million
- Statutory ROE of 3.9%, down from 8.7% in FY23
- Final dividend expected to be 11.0c⁴, reflecting a payout ratio of 96.3%⁵ (subject to the completion of the Acquisition and the Offer). Auswide expects to maintain the DRP in respect of the final dividend. It is intended shares issued under the DRP will be issued at a discount of 2.5%

¹ The financial information included in this Announcement in relation to FY24 is unaudited. Auswide currently expects to release its audited Preliminary Final Report for FY24 on 26 August 2024

² Difference between Statutory and Underlying NPAT (unaudited) and ROE (unaudited) in FY24 arose as a result of a gain in the sale of the investment in FAMG of \$1.108m and \$0.160m for professional fees relating to potential M&A activities

³ Including investments in Managed Investment Schemes (MISs) reported in Financial Assets on the Balance Sheet

⁴ The amount of any dividend paid will be at the discretion of the Auswide Board and will depend on several factors, including: (a) the recognition of profits and availability of cash for distributions; (b) the anticipated future earnings of Auswide; and (c) when the forecast timeframe for capital demands of the business allows for a prudent distribution to shareholders

⁵ Should the Acquisition and the Offer not complete, the dividend payout ratio is expected to be 91.1%

Small things. Big difference.

FY25 Outlook

- Home loan growth anticipated to exceed \$300m in FY25
- Material uplift expected in interest revenue following the maturity of the fixed loan portfolio resulting in low fixed rates converting to higher market rates
- Identify growth opportunities and drive new banking connections by targeting Partnerships to build deposit base
- Reinvigorate customer processes by evaluating construct of products to pursue simplification
- Effectively managing costs while balancing operational requirements
- Quality lending underpinned by prudent loan underwriting standards, strong governance, and robust internal controls
- Investment to enhance fraud management, cyber resilience, data risk and cloud governance
- Aligning future investments with growth opportunities and strategic initiatives

Proposed Merger with MyState

Auswide announces that it has entered into a binding SIA to merge with MyState in a transaction that, if implemented, will combine two high-quality banks and materially increase scale with the potential for shareholder value creation.

Strategic and Commercial Rationale for the Proposed Merger

- **Opportunity from combining two high-quality banks:** Strategic consolidation of two complementary banks to create a trusted organisation of choice with a national footprint
- **Significantly enhanced scale:** Significant increase in scale with combined lending assets of \$12.5 billion¹ and customer deposits of \$9.6 billion¹
- **Increased portfolio diversification of lending and deposit books:** Combination of two banks with complementary and distinct regional areas to create an expanded national presence in every state and territory in Australia
- **Strong operational alignment between both banks:** Similar operating models, technology roadmap and growth strategy opens opportunities to deliver simplification, harmonisation and scale efficiencies
- **Potential for shareholder value creation:** Potential estimated pre-tax cost synergies of \$20 million to \$25 million per annum² (representing approximately 13.0% to 16.0% of the combined cost base³), expected to be realised across governance and people, technology and other

The Proposed Merger is expected to deliver significant value accretion and result in greater than 20% EPS accretion in FY25⁴, assuming full run-rate synergies and including shares issued in relation to the acquisition of Selfco.

Auswide Chair Sandra Birkenleigh: *"The Proposed Merger is a step-change event for Auswide. Through combining two high-quality banks with strong operational alignment, we intend to unlock a range of efficiencies, synergies and growth opportunities and deliver value for our shareholders. We look forward to the next chapter of success for Auswide's customers, staff and shareholders."*

MyState Chair Vaughn Richtor: *"We look forward to the value creation arising from merging two sound customer focussed businesses with long histories of serving their local communities."*

¹ As at 30 June 2024 (unaudited for Auswide; audited for MyState)

² Refer to page 33 of the Investor Presentation for assumptions

³ Based on FY24 combined cost base under MyState's reporting methodology which excludes broker commissions and issuance costs from operating expenses. Under Auswide's reporting methodology, estimated cost synergies represent approximately 10% to 13% of the FY24 combined cost base

⁴ Excludes transaction and integration costs

Small things. Big difference.

Transaction Details

Under the terms of the SIA, MyState has agreed to acquire 100% of the issued shares in Auswide via a Scheme. A copy of the SIA is attached to this announcement.

- If implemented, Auswide shareholders will receive 1.112 MyState shares per Auswide share, implying ~34% pro forma ownership of MergeCo for Auswide shareholders upon completion of the Proposed Merger (including shares to be issued in relation to the acquisition of Selfco)
- The Proposed Merger is subject to a number of conditions set out in the SIA, including:
 - Auswide shareholder approval and court approval of the Scheme
 - Regulatory approvals (including APRA and Federal Treasurer approvals)
 - An Independent Expert concluding that the Scheme is in the best interests of Auswide shareholders
 - No material adverse effects (including no unauthorised waiver of a Selfco material adverse effect), prescribed events, breach of representations and warranties, litigation or enforcement action occurring in relation to either Auswide or MyState
 - Confirmation from the ATO regarding the availability of scrip for scrip roll-over relief for qualifying Australian resident Auswide Shareholders
 - Other conditions customary for a transaction of this nature as set out in the SIA

A full list of conditions is sent out in the SIA (a copy of the SIA is attached to this announcement).

The SIA includes reciprocal exclusivity arrangements and deal protection mechanisms including 'no shop', 'no talk' and 'no due diligence' restrictions, notification and matching rights and a 'fiduciary out' in the event of competing proposal(s). A break fee and of \$2.0 million is payable by Auswide and a reverse break fee of \$2.0 million is payable by MyState in certain circumstances (as detailed in the SIA).

Subject to regulatory and other customary approvals, and the satisfaction (or waiver) of the other conditions under the SIA, the Proposed Merger is targeted to complete in December 2024.

In the event the Proposed Merger does not proceed (including as a result of conditions not being satisfied), Auswide will continue to operate as a standalone company. Investors should take into account this uncertainty in deciding whether or not to buy or sell Auswide securities.

MergeCo Board and Management

Post completion of the Proposed Merger, MergeCo will benefit from the combined skills and experience of the Boards and management teams of both Auswide and MyState.

Sandra Birkenleigh will be appointed the Chair of the MyState Board and Chair of MyState Bank Limited. Brett Morgan will be the Managing Director and Chief Executive Officer of MergeCo. Warren Lee will be the Chair of TPT Wealth Limited.

Post completion of the Proposed Merger, the MergeCo Board will comprise three non-executive directors (including Sandra Birkenleigh as Chair of MergeCo) from the Auswide Board and four non-executive directors from the MyState Board.

Small things. Big difference.

Board Recommendations

Auswide's Board of Directors believes the Proposed Merger represents a significant and compelling opportunity for Auswide shareholders. The Auswide Board unanimously recommends that Auswide shareholders vote in favour of the resolutions that require the approval of Auswide's shareholders for the Proposed Merger, in the absence of a superior proposal for Auswide and subject to the independent expert concluding, and continuing to conclude, that the Proposed Merger is in the best interests of Auswide shareholders. Each Auswide director intends to vote all of the Auswide shares they hold or control in favour of all the resolutions that require the approval of Auswide's shareholders for the Proposed Merger, subject to those same qualifications.

The MyState Board of Directors also unanimously supports the Proposed Merger.

Overview of MyState

MyState is the non-operating holding company of a diversified financial services group listed on the ASX providing banking, trustee and wealth management services to customers across the country through its retail brands (MyState Bank and TPT Wealth).

MyState Bank delivers home lending, savings and transactional banking solutions through digital and branch channels, an Australia-based contact centre, mobile lenders and mortgage brokers.

TPT Wealth delivers asset management and trustee services through relationship managers, digital channels and an Australian-based estate planning, trust administration and support team.

MyState Limited was formed in September 2009 following the merger of MyState Financial, an authorised deposit-taking institution, and TPT Wealth, a trustee and wealth management company. On 1 December 2011, MyState Limited acquired The Rock Building Society (The Rock) based in Central Queensland. On October 6, 2014, following authorisation from the Australian Prudential Regulation Authority (APRA) MyState Financial changed its name to MyState Bank (MyState). On 30 September 2015, MyState Bank received regulatory approval to fully transfer all of the business undertakings of The Rock into MyState.

Key Dates for the Proposed Merger

Event	Date
Lodge regulatory applications	August 2024
Lodge Scheme Booklet with ASIC	September 2024
First Court Date application served on ASIC	October 2024
First Court Date	October 2024
Despatch Scheme Booklet	October 2024
Scheme Meeting held (Auswide shareholder vote)	November / December 2024
Second Court Date	December 2024
Record date	December 2024
Implementation date	December 2024

The above timetable is indicative only and subject to change without notice.

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Acquisition of Selfco

Auswide also announces the 100% acquisition of Selfco, an established non-bank SME lender. Selfco represents a compelling acquisition opportunity for Auswide, offering an entry point into the SME funding market.

Strategic and Commercial Rationale for the Acquisition

- **Expansion in service offerings:** Facilitates Auswide's entry into asset finance, driving scale by expanding Auswide's service offering into the large addressable SME funding market
- **Portfolio diversification:** Further diversifies Auswide's loan portfolio, reducing concentration in home loans and key geographies
- **Access to quality loan book:** The Acquisition delivers Auswide exposure to a loan portfolio with a demonstrable history of low arrears and negligible losses since warehouse implementation
- **Revenue growth opportunities:** Provides substantial revenue growth opportunities for Selfco through synergies with Auswide's lower wholesale funding costs, as well as strong structural tailwinds in Selfco's key end markets

Auswide will pay a total consideration of up to \$6.5 million for Selfco, comprising an initial consideration of \$5.0 million and potential earn-out payments of up to \$1.5 million based on the achievement of profit-related performance hurdles. The initial \$5.0 million consideration is payable in the form of Auswide scrip, which will be issued to Selfco shareholders at the VWAP of Auswide shares in respect of the last five trading days prior to signing.

All Auswide scrip issued to Selfco shareholders will be subject to voluntary escrow, with 40% to be released 12 months post-Acquisition completion and 60% to be released 36 months post-Acquisition completion.

Key employees of Selfco, including the Managing Director, Operations Manager and Head of Programs, have entered into agreements to remain with Selfco following the Acquisition (subject to and with effect from Acquisition completion), to provide continuity and support for Selfco.

Overview of the Offer

Auswide announces the launch of a fully underwritten \$12.0 million Placement and non-underwritten \$3.0 million SPP with proceeds from the Offer to be used to fund Auswide's immediate regulatory CET1 capital requirements upon the acquisition of Selfco, Selfco's expected asset growth for ~12 months and transaction costs relating to the acquisition of Selfco and the Offer.

Details of the equity raising are as follows:

Placement

The underwritten Placement will comprise the issue of approximately 3.0m new fully paid ordinary shares in Auswide (**New Shares**), representing approximately 6.43% of Auswide's issued capital as at Friday, 16 August 2024, at a price of \$4.00 per New Share (the **Offer Price**).

The Offer Price of \$4.00 per New Share represents a:

- 8.05% discount to the last close share price of \$4.35 per share on Friday, 16 August 2024; and
- 6.01% discount to the 5-day VWAP of \$4.26 per share up to and including Friday, 16 August 2024

The Placement will be undertaken within Auswide's existing placement capacity under ASX Listing Rule 7.1. New Shares issued under the Placement will rank equally with the Company's existing fully paid ordinary shares on issue.

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Settlement of New Shares is expected to occur on Thursday, 22 August 2024 with allotment and normal trading of New Shares to occur the following day on Friday, 23 August 2024.

The Placement is fully underwritten.

Share Purchase Plan

Following completion of the Placement, Auswide will offer the opportunity for eligible shareholders to participate in a non-underwritten SPP, subject to an aggregate cap of \$3.0 million.

New shares issued under the SPP will be issued at the same price as the Placement of \$4.00 per share.

Under the SPP, eligible Auswide shareholders, being shareholders who at 7.00pm (AEST) on Friday, 16 August 2024 were registered holds of shares in Auswide and who had a registered address in Australia or New Zealand, will have the opportunity to apply for up to A\$30,000 of new shares free of any brokerage, commission, and transaction costs.

New shares issued under the SPP will rank equally with existing Auswide shares from their date of issue and it is intended that new shares issued under the Placement and the SPP will be issued prior to the record date for the FY24 final dividend.

Full details of the SPP will be set out in the SPP Offer Booklet, which is expected to be released to the ASX and sent to eligible shareholders on or around Monday, 26 August 2024.

Key Dates for the Offer

Event	Date
Record date for eligibility to participate in the SPP	7:00pm, Friday, 16 August 2024
Trading halt and announcement of the Proposed Merger, Acquisition, Placement and SPP	Monday, 19 August 2024
Placement bookbuild	Monday, 19 August 2024
Announcement of results of Placement and trading halt lifted – trading resumes on ASX	Tuesday, 20 August 2024
Settlement of Placement shares	Thursday, 22 August 2024
Allotment and normal trading of Placement shares and dispatch of holding statements	Friday, 23 August 2024
SPP offer opens and SPP offer booklet dispatched	Monday, 26 August 2024
SPP offer closes	5:00pm, Wednesday, 11 September 2024
Announcement of results of SPP	Monday, 16 September 2024
Settlement and allotment of SPP shares	Wednesday, 18 September 2024
Normal trading of SPP shares and dispatch of holding statements	Thursday, 19 September 2024
Dividend Record Date	Friday, 20 September 2024

The above timetable is indicative only and subject to change. The commencement of trading and quotation of New Shares issued under the Placement and the SPP is subject to confirmation from ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules, Auswide and the Lead Manager reserve the right to amend this timetable at any time, including extending the period for the SPP or accepting late applications, either generally or in particular cases, without notice. All dates and times are Australian Eastern Standard Time (AEST).

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Conference Call

Auswide will host an investor call at 11:00am (AEST) today, 19 August 2024. To participate in the live teleconference, investors and media are invited to register at <https://s1.c-conf.com/diamondpass/10041507-ade965.html>.


Advisers

Flagstaff Partners and Ord Minnett are acting as financial advisers to Auswide in relation to the Proposed Merger. Ord Minnett is acting as sole lead Manager, underwriter and bookrunner to the Placement. King & Wood Mallesons is acting as legal adviser to Auswide in relation to the Proposed Merger and the Offer.

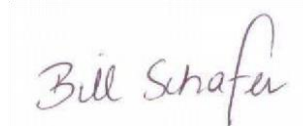
This announcement is authorised by the Board.

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For more information contact:



Doug Snell
Managing Director
+61 0414 887 659
dnsell@auswidebank.com.au



Bill Schafer BCom CA
Chief Financial Officer and Company Secretary
+61 7 4150 4075
bschafer@auswidebank.com.au

About Auswide Bank Ltd

Auswide Bank became Australia's tenth and Queensland's third Australian owned bank, listed and trading on the ASX, on April 1, 2015. The company had operated as a building society since 1966.

Auswide Bank has an Australian Credit Licence and an Australian Financial Services Licence issued by ASIC and is an Authorised Deposit-taking Institution prudentially supervised by the Australian Prudential Regulation Authority.

Auswide Bank offers Australians an extensive range of personal and business banking products & services issued directly or in partnership with leading service providers via an omni-channel distribution strategy which includes branches, strategic relationships and online & digital channels.

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Important Notices:

Summary information and not an offer, advice or recommendation

This announcement should be read subject to the disclaimer in the investor presentation released by Auswide to the ASX today (as if references in that disclaimer to “this Presentation” were to “this announcement”). This announcement is for information purposes only and is not financial product or investment advice, or financial, accounting, legal or tax advice. This announcement is not an invitation, offer, solicitation, inducement or recommendation to subscribe for, buy or sell shares in Auswide in any jurisdiction and neither this announcement nor anything in it shall form any part of any contract or commitment for the acquisition or sale of shares in Auswide.

The information in this announcement does not contain all the information necessary to fully evaluate an investment in Auswide. It should be read in conjunction with the other materials lodged with ASX in relation to the Acquisition, the Proposed Merger and the Offer (including the investor presentation and the key risks set out therein), and Auswide’s other periodic and continuous disclosure announcements. This announcement has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the information in this announcement and in the investor presentation in relation to the Acquisition, the Proposed Merger and the Offer having regard to their own objectives, financial and tax situation and needs, and should seek legal, tax and other professional advice. Auswide is not licensed to provide financial product advice in respect of an investment in shares.

This announcement has been prepared for release in Australia. This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to persons acting for the account or benefit of persons in the United States, or in any jurisdiction in which such an offer would be illegal. The New Shares have not been, nor will be, registered under the U.S. Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, to persons in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The New Shares will not be offered and sold, directly or indirectly, to any person in the United States.

Forward looking information

This announcement contains certain forward-looking statements, opinions or estimates or statements about future events or matters. These statements can be identified by the use of words such as “will”, “may”, “expect”, “indicative”, “guidance”, “intend”, “seek”, “would”, “should”, “could”, “continue”, “plan”, “probability”, “risk”, “forecast”, “likely”, “estimate”, “anticipate”, “believe”, “target”, “aim” and similar expressions and include, without limitation, statements regarding the intention, belief, expectation, strategy or objectives of Auswide and/or its management, the Acquisition and/or other potential acquisitions, the Proposed Merger, MergeCo, the financial condition, results of operations and business of Auswide and MergeCo, market conditions, the outcome of each of the Placement and SPP and the use of proceeds therefrom, Auswide’s expected final dividend for FY24, and Auswide’s FY25 outlook and priorities.

Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Auswide, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of Auswide’s business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of Auswide, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to Auswide as at the date of this announcement. Except as required by law or regulation (including the ASX Listing Rules), none of Auswide, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future

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events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

MyState and Selfco information

Certain information in this announcement has been sourced from MyState or Selfco, or their representatives or associates (respectively). While steps have been taken to seek to confirm that information, no representation or warranty, expressed or implied, is made as to the fairness, accuracy, completeness, reliability or adequacy of that information.

Auswide has undertaken separate due diligence processes in respect of the Selfco Acquisition and the Proposed Merger, which relied in part in each case on the review of financial and other information provided by Selfco and MyState (respectively). Despite making reasonable efforts, Auswide has not been able to verify the fairness, currency, accuracy, adequacy, reliability or completeness of all the information which was provided to it as part of these due diligence processes. If any such information provided to, and relied upon by, Auswide in its due diligence and in its preparation of this announcement proves to be incorrect, incomplete or misleading, there is a risk that the actual financial position and performance of Selfco or its asset portfolio (and the financial position and performance of Auswide following the Selfco Acquisition), or MergeCo may be different to the expectations reflected in this announcement.

Investors should also note that there is no assurance that the due diligence conducted was conclusive, and that all material issues and risks in respect of the Selfco Acquisition or the Proposed Merger have been identified or managed appropriately. Therefore, there is a risk that issues and risks may arise which will also have a material impact on Auswide or MergeCo. This could adversely impact the operations, financial performance and/or financial position of Auswide, MergeCo and, potentially, the Proposed Merger.

Financial information

Information in this announcement is provided as at the date of the announcement unless specified otherwise. It should be read in conjunction with Auswide's other disclosures made via the ASX.

The financial information included in this announcement in relation to FY24 is unaudited. Auswide currently expects to release its audited Preliminary Final Report for FY24 on 26 August 2024. Accordingly, the financial information included in this announcement, the audit process in relation to which remains ongoing and incomplete, is given for illustrative purposes only and should not be relied upon as (and is not) an indication of Auswide's views on its future financial performance or condition. Investors should note that past performance of Auswide, including the historical trading price of Auswide's shares, cannot be relied upon as an indicator of (and provides no guidance as to) future Auswide performance, including the future trading price of shares.

Investors should note that certain financial measures included in this announcement are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC and are not recognised under Australian Accounting Standards (AAS) and International Financial Reporting Standards (IFRS). These measures may include 'cash earnings', 'cash EPS', 'cash return on equity' and 'notable items'.

As non-IFRS financial measures do not have a standardised meaning prescribed by AAS or IFRS and, therefore, may not be comparable to similarly titled measures presented by other entities, they should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Although Auswide believes that non-IFRS financial measures provide useful information to users in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-IFRS financial measures included in this announcement.

This announcement also includes financial information in relation to Selfco, MyState and pro forma financial information in relation to MergeCo. The Selfco financial information has been derived from Selfco, which financial statements are unaudited, and other financial information made available by Selfco in connection with the Acquisition. The MyState financial information has been derived from MyState, which financial statements are audited, and other financial information made available by MyState in connection with the Proposed Merger.

Small things. Big difference.

Scheme Implementation Agreement

Dated 19 August 2024

MyState Limited (ACN 133 623 962) (**MyState**)
MyState Bank Limited (ACN 067 729 195) (**Bidder**)
Auswide Bank Ltd (ACN 087 652 060) (**Auswide**)

King & Wood Mallesons
Level 33
Waterfront Place
1 Eagle Street
Brisbane QLD 4000
Australia
T +61 7 3244 8000
F +61 7 3244 8999
DX 311 Brisbane
www.kwm.com

Scheme Implementation Agreement

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Scheme Implementation Agreement

Details

Parties

MyState

Name	MyState Limited
ACN	133 623 962
Formed in	Australia
Address	Level 2, 137 Harrington Street, Hobart, Tasmania 7000
Email	Secretariat@MyStateLimited.com.au
Attention	Company Secretary

Bidder

Name	MyState Bank Limited
ACN	067 729 195
Formed in	Australia
Address	Level 2, 137 Harrington Street, Hobart, Tasmania 7000
Email	Secretariat@MyStateLimited.com.au
Attention	Company Secretary

Auswide

Name	Auswide Bank Ltd
ACN	087 652 060
Formed in	Australia
Address	Level 3, 16-20 Barolin Street, Bundaberg, Queensland 4670
Email	dsnell@auswidebank.com.au
Attention	Managing Director & Chief Executive Officer

Governing law New South Wales

Recitals

A Auswide, MyState and Bidder have agreed that Bidder is to acquire all of the securities in Auswide by means of a members' scheme of arrangement under Part 5.1 of the Corporations Act.

- B** At the request of MyState and Bidder, Auswide intends to propose the Scheme and issue the Scheme Booklet.
- C** Auswide, MyState and Bidder have agreed to implement the Scheme on the terms and conditions of this document.
- D** MyState is the ultimate holding company of the Bidder and has agreed to issue the Scheme Consideration, on the terms and conditions set out in this document.

Scheme Implementation Agreement

General terms

1 Definitions and interpretation

1.1 Definitions

Unless the contrary intention appears, these meanings apply:

Abstain Direction means an order or direction made by the Court, or that the Court or ASIC reasonably requests, that an Auswide Director abstains from making a recommendation to Auswide Shareholders.

Abstaining Director means an Auswide Director who is the subject of an Abstain Direction.

ACCC means the Australian Competition and Consumer Commission.

Adjusted Scheme Consideration has the meaning given in clause 4.3.

APRA means the Australian Prudential Regulation Authority.

ASIC means the Australian Securities & Investments Commission.

Associate has the meaning set out in section 12 of the Corporations Act, as if section 12(1) of the Corporations Act included a reference to this document and, if applicable, Auswide, MyState or Bidder (as the case may be) was the designated body.

ASX means ASX Limited, or the market operated by it, as the context requires.

ATO means the Australian Taxation Office.

Auswide Board means the board of directors of Auswide.

Auswide Competing Transaction means an offer, expression of interest, proposal, transaction, agreement or arrangement (whether by way of takeover bid, members' or creditors' scheme of arrangement, shareholder approved acquisition, capital reduction, buy-back, sale of assets, sale, purchase or issue of securities, assignment of assets and liabilities, joint venture, deed of company arrangement, any debt for equity arrangement or otherwise) which, if entered into or completed substantially in accordance with its terms, would mean a person (other than Bidder or its Related Bodies Corporate) whether alone or together with its Associates would:

- (a) directly or indirectly, acquire an interest (whether legal, beneficial or economic) or Relevant Interest in or become the holder of, 20% or more of the Auswide Shares (other than as custodian, nominee or bare trustee);
- (b) directly or indirectly acquire control of Auswide within the meaning of section 50AA of the Corporations Act;
- (c) directly or indirectly acquire, obtain a right to acquire, or otherwise obtain a legal, beneficial or economic interest in all or a substantial part or a material part of the assets of or business conducted by the Auswide Group;

- (d) otherwise acquire or merge (including by a reverse takeover bid, dual listed company structure, or other synthetic merger) with Auswide; or
- (e) require Auswide to abandon, or otherwise fail to proceed with, the Scheme,

provided that the transactions expressly set out in the Selfco Transaction Documents or required for the Selfco Raise (whether individually or together) will not constitute an Auswide Competing Transaction.

Auswide Director means a director of Auswide from time to time.

Auswide Group means Auswide and its Subsidiaries from time to time, and, on and from 'Completion' of the Selfco Transaction as defined in the Selfco Transaction Documents, includes any entities (and their Subsidiaries) acquired pursuant to the Selfco Transaction.

Auswide Incoming Director means the persons nominated for appointment to the Auswide Board by Bidder to Auswide in writing no later than 5 Business Days before the Implementation Date.

Auswide Indemnified Parties means Auswide, its directors, officers and employees, its Related Bodies Corporate and the directors, officers and employees of each of its Related Bodies Corporate.

Auswide Information means all information contained in the Scheme Booklet other than the MyState Information and the Independent Expert's Report.

Auswide Material Adverse Effect means a Specified Event which has, has had, or is reasonably likely to have, either individually or when aggregated with any Specified Events of a similar kind or category, the effect of:

- (a) the value of consolidated net assets of the Auswide Group (taken as a whole) being reduced by at least \$28,996,600 against what it would reasonably have been expected to have been but for such Specified Event; or
- (b) the value of the consolidated statutory annual net profit after tax of the Auswide Group being reduced by at least \$1,532,600 against what it would reasonably have been expected to have been but for such Specified Event,

but does not include:

- (c) any matter Disclosed to MyState or Bidder (or which ought reasonably have been expected to arise from a matter, event or circumstance which was so Disclosed to MyState or Bidder);
- (d) any matter, event or circumstance arising from changes in law, regulation or government policy in any jurisdiction in which a member of the Auswide Group operates;
- (e) any change in taxation, interest rates, general economic or political conditions or the securities market in general which impact on Auswide Group and MyState Group in a similar manner;
- (f) any change in generally accepted accounting principles or the interpretation of them by any professional body or government agency;
- (g) any change occurring directly or indirectly as a result of the Permitted FY Dividend, the Permitted HY Dividend or any matter, event or

circumstance required or expressly permitted by this document, the Scheme or the transactions contemplated by them;

- (h) any matter or event expressly set out in the Selfco Transaction or required for the Selfco Raise; or
- (i) any change occurring with the written consent of MyState or Bidder.

Auswide Outgoing Director means all directors on the Auswide Board other than any MyState Incoming Directors.

Auswide Performance Right means a performance right or other convertible security issued under the Auswide Bank Performance Rights Plan, which plan has been Disclosed to MyState, and is operated by the Auswide Group.

Auswide Prescribed Event means, except to the extent expressly required, contemplated or permitted by this document or the Scheme or as Disclosed to MyState or Bidder prior to the date of this document, any of the following events:

- (a) **(conversion)** Auswide converts all or any of its shares into a larger or smaller number of shares;
- (b) **(reduction of share capital)** Auswide or another member of the Auswide Group resolves to reduce its share capital in any way or resolves to reclassify, combine, split or redeem or repurchase directly or indirectly any of its shares;
- (c) **(buy-back)** Auswide or another member of the Auswide Group:
 - (i) enters into a buy-back agreement; or
 - (ii) resolves to approve the terms of a buy-back agreement under the Corporations Act;
- (d) **(distribution)** any member of the Auswide Group (other than a wholly owned Subsidiary of Auswide) makes or declares, or announces an intention to make or declare, any distribution (other than the Permitted FY Dividend or the Permitted HY Dividend), whether by way of dividend, capital reduction, bonus or other share of its profits or assets or otherwise and whether in cash or in specie;
- (e) **(issuing or granting shares or options)** any member of the Auswide Group:
 - (i) issues shares;
 - (ii) grants an option over its shares; or
 - (iii) agrees to make such an issue or grant such an option over shares,

in each case to a person outside the Auswide Group, but excluding:

 - (iv) the issue of any Auswide Shares in connection with the exercise, vesting or conversion of any Auswide Performance Rights on issue as at the date of this document;
 - (v) any actions taken in accordance with clause 4.9;

- (vi) the issue of any Auswide Shares in connection with a dividend reinvestment plan for the Permitted FY Dividend in accordance with clause 4.5; or
- (vii) as expressly required by the Selfco Transaction Documents or required for the Selfco Raise (whether individually or together), provided that such securities are issued on or before the Selfco Transaction End Date;
- (f) **(securities or other instruments)** any member of the Auswide Group issues or agrees to issue securities or other instruments convertible into shares (including pursuant to an incentive plan, other share plan or purchase plan and pursuant to any dividend reinvestment plan in circumstances that breach clause 4.5(c)) or debt securities in each case to a person outside the Auswide Group, excluding the issue of securities expressly required by the Selfco Transaction Documents or required for the Selfco Raise (whether individually or together), provided that such securities are issued on or before the Selfco Transaction End Date;
- (g) **(constitution)** Auswide adopts a new constitution or modifies or repeals its constitution or a provision of it;
- (h) **(disposals)** any member of the Auswide Group disposes, or agrees to dispose of the whole or a substantial part of its business or property;
- (i) **(acquisitions, disposals or tenders)** except in respect of any self-securitisation activities, any member of the Auswide Group:
 - (i) acquires or disposes of;
 - (ii) agrees to acquire or dispose of; or
 - (iii) offers, proposes, announces a bid or tenders for,

any business, assets, entity or undertaking the value of which exceeds \$15 million other than:

 - (iv) any divestment of assets or securitisation of assets which are undertaken:
 - (A) to fund the business of the Auswide Group in the ordinary course in accordance with its funding strategy as Disclosed;
 - (B) to ensure that Auswide satisfies the funding metrics in its risk appetite statement;
 - (C) in respect of a financing arrangement which is Disclosed, including as part of the annual review or rollover of such an arrangement;
 - (D) in respect of any borrowing program where the maturity date is 3 months or less; or
 - (E) in respect of any disposal of assets within the Auswide investment portfolio allowed by Auswide's investment credit risk policy (or equivalent) or risk appetite statement; or
 - (v) in respect of the acquisitions expressly provided for in the Selfco Transaction Documents;

- (j) **(Encumbrances)** any member of the Auswide Group creates, or agrees to create, any Encumbrance over or declares itself the trustee of the whole or a substantial part of its business or property, other than:
 - (i) in the ordinary course of business (which ordinary course includes, for the avoidance of doubt, any such event undertaken in connection with any securitisation (including internal securitisation), debt issuance arrangement or repurchase agreement entered into by an Auswide Group member as part of its wholesale funding activities) and consistent with past practice;
 - (ii) any activity undertaken to fund the business of the Auswide Group in the ordinary course in accordance with its funding strategy as Disclosed;
 - (iii) to ensure that Auswide satisfies the funding metrics in its risk appetite statement;
 - (iv) in respect of any financing arrangement which has been Disclosed, including as part of the annual review or rollover of such an arrangement;
 - (v) in respect of any borrowing program where the maturity date is 3 months or less; or
 - (vi) a lien which arises by operation of law or legislation securing an obligation that is not yet due;
- (k) **(employment arrangements)** other than in the ordinary course of business and consistent with past practice (including in relation to ordinary remuneration reviews to be conducted by Auswide), or otherwise as expressly provided for in the Selfco Transaction Documents, any member of the Auswide Group:
 - (i) hires any new key management personnel;
 - (ii) enters into any enterprise bargaining agreement other than pursuant to contractual arrangements in effect on the date of this document;
 - (iii) increases the remuneration of, or otherwise varies the employment arrangements with, any of its directors or employees;
 - (iv) accelerates the rights of any of its directors or employees to compensation or benefits of any kind (including under any Auswide executive or employee share plans), except as contemplated under clause 4.9; or
 - (v) pays any of its directors any special exertion fees or pays any of its directors or employees a termination or retention payment (otherwise than in accordance with an existing contract in place at the date of this document that has been Disclosed);
- (l) **(commitments and settlements)** except as expressly provided for in the Selfco Transaction Documents or required for the Selfco Raise (whether individually or together), any Member of the Auswide Group:

- (i) enters into any contract or commitment involving revenue or expenditure of more than \$2 million over the term of the contract or commitment;
- (ii) (without limiting the above) enters into any contract or commitment relating to the same matter or project involving revenue or expenditure which exceeds \$2 million in aggregate over the term of the contracts or commitments;
- (iii) terminates or amends in a material manner any contract material to the conduct of the Auswide Group's business or which involves revenue or expenditure of more than \$2 million over the term of the contract;
- (iv) waiving any material third party default; or
- (v) accepting as a settlement or compromise of a material matter (relating to an amount in excess of \$2 million) less than the full compensation due to Auswide or a member of the Auswide Group;
- (m) **(New Material Contract)** a member of the Auswide Group enters into or agrees to enter into a New Material Contract other than:
 - (i) the Selfco Transaction Documents or any document entered into, and required for, conducting the Selfco Raise;
 - (ii) in relation to an activity undertaken to fund the business or invest liquidity of the Auswide Group in the ordinary course in accordance with its funding strategy, investment credit risk policy (or equivalent) or risk appetite statement as Disclosed;
 - (iii) to ensure Auswide satisfies the funding metrics in its risk appetite statement;
 - (iv) in respect of any financing arrangement which has been Disclosed, including as part of the annual review or rollover of such an arrangement; or
 - (v) in respect of any borrowing program where the maturity date is 3 months or less;
- (n) **(Financial indebtedness)** a member of the Auswide Group incurs any financial indebtedness or issues any debt securities, other than in the ordinary course of business or pursuant to advances under its credit facilities that are in existence as at the date of this document, where the funds drawn pursuant to those advances are used in the ordinary course of business;
- (o) **(Material Cyber Event)** Auswide suffers a Material Cyber Event;
- (p) **(cessation)** Auswide or any member of the Auswide Group ceases to carry on business or is deregistered or otherwise dissolved; or
- (q) **(Insolvency)** Auswide or any of its Related Bodies Corporate becomes Insolvent,

provided that a Auswide Prescribed Event listed in items (a) to (p) will not occur where Auswide has first consulted with MyState or Bidder in relation to the event and MyState or Bidder has approved in writing the proposed event with such approval not to be unreasonably withheld or delayed.

Auswide Representations and Warranties means the representations and warranties of Auswide set out in clauses 10.2 and 13.1.

Auswide Share means an ordinary fully paid share in the capital of Auswide.

Auswide Shareholder means each person registered in the Register as a holder of Auswide Shares.

Auswide Superior Proposal means a genuine Auswide Competing Transaction (not resulting from a breach by Auswide of any of Auswide's obligations under clause 10, it being understood that any actions by a Representative of Auswide will be deemed to be an action of Auswide for the purposes of clause 10) which the Auswide Board, acting in good faith, and after taking advice from its legal and financial advisers, determines:

- (a) is reasonably capable of being completed within a reasonable timeframe; and
- (b) would, if completed substantially in accordance with its terms, result or be reasonably likely to result in an outcome that is more favourable to Auswide Shareholders (as a whole) than would result from the Scheme,

each taking into account all aspects of the Competing Transaction, including its terms and conditions, any timing considerations, the identity, reputation and financial condition of the person making the proposal, legal, regulatory and financial matters (including the value and type of consideration or funding).

Authorised Officer means a director or secretary of a party, or any other person nominated by a party to act as an Authorised Officer for the purposes of this document.

Banking Act means the *Banking Act 1959* (Cth).

BEAR means the Banking Executive Accountability Regime administered by APRA.

Bidder Board means the board of directors of Bidder.

Break Fee means \$2,000,000.00.

Business Day means a business day as defined in the Listing Rules.

CGT Withholding Law means the foreign resident capital gains tax withholding law in Subdivision 14-D of Schedule 1 of the TAA.

Class Ruling means a binding public ruling issued by the Commissioner pursuant to Division 358 of Schedule 1 of the *Tax Administration Act 1953* (Cth) and as described in the class ruling CR 2001/1.

Commissioner means the Commissioner of Taxation of Australia.

Competing Transaction means an Auswide Competing Transaction or a MyState Competing Transaction, as the context requires.

Conditions Precedent means the conditions precedent set out in clause 3.1.

Confidentiality Agreement means the Confidentiality Agreement between the parties dated 19 February 2024.

Controller has the meaning it has in the Corporations Act.

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

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

Costs includes costs, charges and expenses, including those incurred in connection with advisers and any legal costs on a full indemnity basis.

Court means Supreme Court of New South Wales, or another court of competent jurisdiction under the Corporations Act agreed by the parties.

Deed Poll means a deed poll substantially in the form of Annexure B to this document.

Details means the section of this document headed "Details".

Disclosed means fairly disclosed:

- (a) in the case of Auswide:
 - (i) by Auswide in writing to MyState or Bidder prior to the date of this document (including the documents and information disclosed in Auswide's virtual dataroom hosted by Ansarada (including for the avoidance of doubt, information and responses to questions or requests for information via the Q&A function made by MyState or Bidder and their Representatives) made available to MyState or Bidder, as at the day immediately before the date of this document, an electronic copy of which has been provided to MyState or Bidder by Auswide or its Representatives); or
 - (ii) in any announcement made by Auswide on ASX within 36 months prior to the date of this document.
- (b) in the case of MyState or Bidder:
 - (i) by MyState or Bidder in writing to Auswide prior to the date of this document (including the documents and information disclosed in the Bidder's (or MyState's) virtual dataroom hosted by Ansarada (including for the avoidance of doubt, information and responses to questions or requests for information via the Q&A function made by Auswide and its Representatives) made available to Auswide, as at the day immediately before the date of this document, an electronic copy of which has been provided to Auswide by MyState or Bidder or their Representatives); or
 - (ii) in any announcement made by MyState on ASX within 36 months prior to the date of this document.

Effective, when used in relation to the Scheme, means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to the Scheme, but in any event at no time before an office copy of the order of the Court is lodged with ASIC.

Effective Date means the date on which the Scheme becomes Effective.

Encumbrance means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any "security interest" as defined in sections 12(1) or 12(2) of the PPSA or any agreement to create any of them or allow them to exist.

End Date means 31 March 2025 or any other date as is agreed in writing by the parties.

Exclusivity Period means the period from and including the date of this document to the earlier of:

- (a) the termination of this document in accordance with its terms;
- (b) the Implementation Date; and
- (c) the End Date.

FAR means the Financial Accountability Regime jointly administered by ASIC and APRA.

First Court Date means the first day on which an application made to the Court, in accordance with clause 5.2(i), for orders under section 411(1) of the Corporations Act convening the Scheme Meeting is heard.

FSSA means the *Financial Sector (Shareholdings) Act 1998* (Cth).

Headcount Test means the requirement under section 411(4)(a)(ii)(A) of the Corporations Act that the resolution to approve the Scheme at the Scheme Meeting is passed by a majority in number of Auswide Shareholders present and voting, either in person or by proxy.

HY Dividend Payout Window means the period commencing on the date on which a party announces its results for the half year ending 31 December 2024 and ending on the date which is 3 Business Days prior to the Second Court Date.

Implementation Date means the 5th Business Day following the Record Date or such other date after the Record Date as Auswide and Bidder agree in writing.

Independent Expert means the independent expert appointed by Auswide under clause 5.2(c).

Independent Expert's Report means the report from the Independent Expert for inclusion in the Scheme Booklet, including any update or supplementary report, stating whether in the Independent Expert's opinion the Scheme is in the best interests of Auswide Shareholders.

Indicative Timetable means the indicative timetable set out in Schedule 1, subject to any amendments agreed by the parties in writing.

Ineligible Foreign Shareholder means an Auswide Shareholder:

- (a) who is (or is acting on behalf of) a citizen or resident of a jurisdiction other than residents of Australia and its external territories, New Zealand, Singapore, Hong Kong, United Kingdom, the United Arab Emirates and the United States; or
- (b) whose address shown in the Register is a place outside Australia and its external territories, New Zealand, Singapore, Hong Kong, United Kingdom, the United Arab Emirates and the United States or who is acting on behalf of such a person,

unless MyState determines that:

- (c) it is lawful and not unduly onerous or unduly impracticable to issue that Auswide Shareholder with the New MyState Shares on implementation of the Scheme; and

- (d) it is lawful for that Auswide Shareholder to participate in the Scheme by the law of the relevant place outside Australia and its external territories, New Zealand, Singapore, Hong Kong, United Kingdom, the United Arab Emirates and the United States.

Information Sharing Protocols means the protocols (if any) entered into between the parties in connection with the handling of any confidential information which is or is likely to be competitively sensitive.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to any part of its property;
- (c) it is subject to any arrangement (including a deed of company arrangement or scheme of arrangement other than the Scheme), assignment, moratorium, compromise or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this document);
- (d) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of its assets;
- (e) an application or order has been made (and in the case of an application which is disputed by the person, it is not stayed, withdrawn or dismissed within 14 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of the things described in any of the above paragraphs;
- (f) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;
- (g) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this document reasonably deduces it is so subject);
- (h) it is otherwise unable to pay its debts when they fall due; or
- (i) something having a substantially similar effect to any of the things described in the above paragraphs happens in connection with that person under the law of any jurisdiction.

IT System means the software, hardware, networks and communication links, owned by or licensed to any Auswide Group member or MyState Group Member (as applicable).

Listing Rules means the Listing Rules of ASX and any other applicable rules of ASX modified to the extent of any express written waiver by ASX.

Losses means all claims, demands, damages, losses, costs, expenses (including reasonable fees of counsel) and liabilities.

Material Contract means:

- (a) those documents agreed between the parties in writing to be a "Material Contract" for the purposes of this definition; and

- (b) any New Material Contract.

Material Cyber Event means an event that results in unauthorised access to, or the disruption or misuse of, the IT System of an Auswide Group member or MyState Group member (as applicable) of non-public information stored on such IT System which will, or is reasonably likely to, have a material and adverse effect on the financial condition or operations of the Auswide Group or MyState Group (as applicable) (taken as a whole).

For the avoidance of doubt, the ongoing existence and occurrence of attempted but Unsuccessful Cyber Events does not constitute a Material Cyber Event.

Merged Group means the MyState Group including the Auswide Group following implementation of the Scheme.

Mutual Exclusivity Deed means the Mutual Exclusivity Deed entered into between the parties on 5 July 2024.

MyState Board means the board of directors of MyState.

MyState Competing Transaction means an offer, expression of interest, proposal, transaction, agreement or arrangement (whether by way of takeover bid, members' or creditors' scheme of arrangement, shareholder approved acquisition, capital reduction, buy-back sale of assets, sale, purchase or issue of securities, assignment of assets and liabilities, joint venture, deed of company arrangement, any debt for equity arrangement or otherwise) which, if entered into or completed substantially in accordance with its terms, would mean a person (other than Auswide or its Related Bodies Corporate) whether alone or together with its Associates would:

- (a) directly or indirectly, acquire an interest (whether legal, beneficial or economic) or Relevant Interest in or become the holder of 20% or more of the MyState Shares or the securities of Bidder (other than as custodian, nominee or bare trustee);
- (b) directly or indirectly acquire control of MyState or Bidder, within the meaning of section 50AA of the Corporations Act;
- (c) directly or indirectly acquire, obtain a right to acquire, or otherwise obtain a legal, beneficial or economic interest in all or a substantial part or a material part of the assets of or business conducted by the MyState Group;
- (d) otherwise acquire or merge (including by a reverse takeover bid, dual listed company structure, or other synthetic merger) with MyState or Bidder; or
- (e) require MyState or the Bidder to abandon, or otherwise fail to proceed with, the Scheme.

MyState Group means MyState and its Subsidiaries from time to time, including the Bidder.

MyState Incoming Director means each of Sandra Birkensleigh and any other two non-executive directors of Auswide, notified by Auswide to MyState not less than two Business Days prior to Auswide's lodgement of the Regulator's Draft under clause 5.2(g), as being the persons that will be appointed as directors of MyState on the Scheme becoming Effective.

MyState Indemnified Parties means MyState, its directors, officers and employees, its Related Bodies Corporate and the directors, officers and employees of each of its Related Bodies Corporate.

MyState Information:

- (a) means the information regarding Bidder and MyState, including in respect of the New MyState Shares and the Merged Group provided by MyState or Bidder to Auswide in writing for inclusion in the Scheme Booklet, being information regarding Bidder and MyState required to be included in the Scheme Booklet under the Corporations Act, Corporations Regulations or ASIC Regulatory Guide 60; and
- (b) excludes:
 - (i) information about the Auswide Group including the Auswide Information (except to the extent it relates to any statement of intention relating to the Auswide Group following the Effective Date as part of the Merged Group);
 - (ii) information provided by Auswide to MyState or Bidder (or otherwise obtained from Auswide's public filings on ASX and ASIC) contained in, or used for the preparation of, the information regarding the Merged Group or the Independent Expert's Report; and
 - (iii) the information contained in the Independent Expert's Report, any investigating accountant's report or other report or opinion prepared by an external adviser to Auswide.

MyState Material Adverse Effect means a Specified Event which has, has had, or is reasonably likely to have, either individually or when aggregated with any Specified Events of a similar kind or category, the effect of:

- (a) the value of consolidated net assets of the MyState Group (taken as a whole) being reduced by at least \$46,114,400 against what it would reasonably have been expected to have been but for such Specified Event; or
- (b) the value of the consolidated statutory annual net profit after tax of the MyState Group being reduced by at least \$3,494,800 against what it would reasonably have been expected to have been but for such Specified Event;

but does not include:

- (c) any matter Disclosed to Auswide (or which ought reasonably have been expected to arise from a matter, event or circumstance which was so Disclosed to Auswide);
- (d) any matter, event or circumstance arising from changes in law, regulation or government policy in any jurisdiction in which a member of the MyState Group operates;
- (e) any change in taxation, interest rates, general economic or political conditions or the securities market in general which impact on the MyState Group and the Auswide Group in a similar manner;
- (f) any change in generally accepted accounting principles or the interpretation of them by any professional body or government agency;

- For personal use only
- (g) any change occurring directly or indirectly as a result of the Permitted FY Dividend, the Permitted HY Dividend or any matter, event or circumstance required or expressly permitted by this document, the Scheme or the transactions contemplated by them; or
 - (h) any change occurring with the written consent of Auswide.

MyState Outgoing Director means those persons notified to Auswide in accordance with clause 5.3(d).

MyState Performance Right means a performance right or other convertible security issued under the MyState Limited Executive Long Term Incentive Plan or any other executive or employee incentive plan operated by the MyState Group, which plan has been Disclosed to Auswide.

MyState Prescribed Event means, except to the extent expressly required, contemplated or permitted by this document or the Scheme or as Disclosed to Auswide prior to the date of this document, any of the following events:

- (a) **(conversion)** MyState converts all or any of its shares into a larger or smaller number of shares;
- (b) **(reduction of share capital)** MyState or another member of the MyState Group resolves to reduce its share capital in any way or resolves to reclassify, combine, split or redeem or repurchase directly or indirectly any of its shares;
- (c) **(buy-back)** MyState or another member of the MyState Group:
 - (i) enters into a buy-back agreement; or
 - (ii) resolves to approve the terms of a buy-back agreement under the Corporations Act;
- (d) **(distribution)** any member of the MyState Group (other than a wholly owned Subsidiary of MyState) makes or declares, or announces an intention to make or declare, any distribution (other than the Permitted FY Dividend or the Permitted HY Dividend), whether by way of dividend, capital reduction, bonus or other share of its profits or assets or otherwise and whether in cash or in specie;
- (e) **(issuing or granting shares or options)** any member of the MyState Group:
 - (i) issues shares;
 - (ii) grants an option over its shares; or
 - (iii) agrees to make such an issue or grant such an option over shares,

in each case to a person outside the MyState Group, but excluding:

- (iv) the issue of any MyState Shares in connection with the exercise, vesting or conversion of any MyState Performance Rights or any equity incentive securities on issue as at the date of this document, including under the terms of any Disclosed MyState equity incentive plan, and otherwise in the ordinary course and in accordance with their terms; and

- (v) the issue of any MyState Shares in connection with a dividend reinvestment plan for the Permitted FY Dividend in accordance with clause 4.5;
- (f) **(securities or other instruments)** any member of the MyState Group issues or agrees to issue securities or other instruments convertible into shares (including pursuant to an incentive plan, other share plan or purchase plan and pursuant to any dividend reinvestment plan in circumstances that breach clause 4.5(d)) or debt securities in each case to a person outside the MyState Group;
- (g) **(constitution)** MyState adopts a new constitution or modifies or repeals its constitution or a provision of it;
- (h) **(disposals)** any member of the MyState Group disposes, or agrees to dispose of the whole or a substantial part of its business or property;
- (i) **(acquisitions, disposals or tenders)** except in respect of any self-securitisation activities, any member of the MyState Group:
 - (i) acquires or disposes of;
 - (ii) agrees to acquire or dispose of; or
 - (iii) offers, proposes, announces a bid or tenders for,

any business, assets, entity or undertaking the value of which exceeds \$31.875 million other than any divestment of assets or securitisation of assets which are undertaken:

 - (iv) to fund the business of the MyState Group in the ordinary course in accordance with its funding strategy as Disclosed;
 - (v) to ensure that MyState or Bidder, as applicable satisfies the funding metrics in its risk appetite statement;
 - (vi) in respect of a financing arrangement which is Disclosed, including as part of the annual review or rollover of such an arrangement;
 - (vii) in respect of any borrowing program where the maturity date is 3 months or less; or
 - (viii) in respect of any disposal of assets within the MyState or Bidder investment portfolio allowed by MyState Group's investment credit risk policy (or equivalent) or risk appetite statement;
- (j) **(Encumbrances)** any member of the MyState Group creates, or agrees to create, any Encumbrance over or declares itself the trustee of the whole or a substantial part of its business or property, other than:
 - (i) in the ordinary course of business (which ordinary course includes, for the avoidance of doubt, any such event undertaken in connection with any securitisation (including internal securitisation), debt issuance arrangement or repurchase agreement entered into by a MyState Group member as part of its wholesale funding activities) and consistent with past practice;

- (ii) any activity undertaken to fund the business of the MyState Group in the ordinary course in accordance with its funding strategy as Disclosed;
 - (iii) to ensure that MyState or Bidder, as applicable, satisfies the funding metrics in its risk appetite statement;
 - (iv) in respect of any financing arrangement which has been Disclosed, including as part of the annual review or rollover of such an arrangement;
 - (v) in respect of any borrowing program where the maturity date is 3 months or less; or
 - (vi) a lien which arises by operation of law or legislation securing an obligation that is not yet due;
- (k) **(employment arrangements)** other than in the ordinary course of business and consistent with past practice (including in relation to ordinary remuneration reviews to be conducted by MyState or Bidder) any member of the MyState Group:
- (i) hires any new key management personnel;
 - (ii) enters into any enterprise bargaining agreement without having first consulted with Auswide reasonably and in good faith in relation to the enterprise bargaining agreement;
 - (iii) increases the remuneration of, or otherwise varies the employment arrangements with, any of its directors or employees;
 - (iv) accelerates the rights of any of its directors or employees to compensation or benefits of any kind (including under any MyState or Bidder executive or employee share plans); or
 - (v) pays any of its directors any special exertion fees or pays any of its directors or employees a termination or retention payment (otherwise than in accordance with an existing contract in place at the date of this document that has been Disclosed),
- and, for the purposes of this paragraph (k), excludes the entering into or variation of any enterprise bargaining agreement in relation to the MyState Group where MyState has first consulted with Auswide reasonably and in good faith in relation to the entering into, or variation of, the enterprise bargaining agreement;
- (l) **(commitments and settlements)** any member of the MyState Group:
- (i) enters into any contract or commitment involving revenue or expenditure of more than \$4.25 million over the term of the contract or commitment;
 - (ii) (without limiting the above) enters into any contract or commitment relating to the same matter or project involving revenue or expenditure which exceeds \$4.25 million in aggregate over the term of the contracts or commitments;
 - (iii) terminates or amends in a material manner any contract material to the conduct of the MyState Group's business or which involves

revenue or expenditure of more than \$4.25 million over the term of the contract;

- (iv) waiving any material third party default; or
- (v) accepting as a settlement or compromise of a material matter (relating to an amount in excess of \$4.25 million) less than the full compensation due to MyState or a member of the MyState Group;
- (m) **(New Material Contract)** a member of the MyState Group enters into or agrees to enter into a New Material Contract other than:
 - (i) in relation to an activity undertaken to fund the business or invest liquidity of the MyState Group in the ordinary course in accordance with its funding strategy, investment credit risk policy (or equivalent) or risk appetite statement as Disclosed;
 - (ii) to ensure MyState or Bidder, as applicable satisfies the funding metrics in its risk appetite statement;
 - (iii) in respect of any financing arrangement which has been Disclosed, including as part of the annual review or rollover of such an arrangement; or
 - (iv) in respect of any borrowing program where the maturity date is 3 months or less;
- (b) **(Financial indebtedness)** a member of the MyState Group incurs any financial indebtedness or issues any debt securities, other than in the ordinary course of business or pursuant to advances under its credit facilities that are in existence as at the date of this document, where the funds drawn pursuant to those advances are used in the ordinary course of business;
- (n) **(Material Cyber Event)** MyState suffers a Material Cyber Event;
- (o) **(cessation)** MyState or any member of the MyState Group ceases to carry on business or is deregistered or otherwise dissolved; or
- (p) **(Insolvency)** MyState or any of its Related Bodies Corporate becomes Insolvent,

provided that a MyState Prescribed Event listed in items (a) to (o) will not occur where MyState has first consulted with Auswide in relation to the event and Auswide has approved in writing the proposed event with such approval not to be unreasonably withheld or delayed.

MyState Representations and Warranties means the representations and warranties of Bidder set out in clauses 10.2 and clause 13.2.

MyState Share means an ordinary fully paid share in the capital of MyState.

MyState Shareholder means each person registered as a holder of a MyState Share in the share register of MyState.

MyState Superior Proposal means a genuine MyState Competing Transaction (not resulting from a breach by MyState or Bidder of any of MyState's or Bidder's obligations under clause 10, it being understood that any actions by a Representative of MyState or Bidder will be deemed to be an action of MyState

or Bidder for the purposes of clause 10) which the MyState Board, acting in good faith, and after taking advice from its legal and financial advisers, determines:

- (a) is reasonably capable of being completed within a reasonable timeframe; and
- (b) would, if completed substantially in accordance with its terms, result or be reasonably likely to result in an outcome that is more favourable to MyState Shareholders (as a whole) than would result from the Scheme,

each taking into account all aspects of the Competing Transaction, including its terms and conditions, any timing considerations, the identity, reputation and financial condition of the person making the proposal, legal, regulatory and financial matters (including the value and type of consideration or funding).

New Material Contract means a contract or commitment (or any series of related contracts or commitments):

- (a) requiring total payments in excess of an amount equal to 5% of the relevant party's consolidated statutory annual net profit after tax when compared to the consolidated income statement for the half-year ended 31 December 2023 when extrapolated on an annualised basis;
- (b) under which a person does not have an unconditional right to terminate within 12 months without penalty that is in excess of \$2 million in respect of Auswide and \$4.25 million in respect of MyState;
- (c) giving rise to exposure, in relation to foreign currency hedging arrangements of or in excess of \$2 million in respect of Auswide and \$4.25 million in respect of MyState;
- (d) for the employment of any person whose base compensation (including superannuation benefits) is in excess of \$300,000;
- (e) under which any member of the Auswide Group or MyState Group (as applicable) is owner, lessee or licensee of or holds or operates any real property; or
- (f) which is entered into other than in the ordinary course of business and which may otherwise be expected to be material to the operations of the Auswide Group or the MyState Group (as applicable).

New MyState Shares means fully paid ordinary shares in the capital of MyState to be issued as Scheme Consideration under the Scheme.

NOHC means a non-operating holding company licensed under subsection 11AA(2) of the Banking Act.

Permitted FY Dividend means:

- (a) in relation to Auswide, a dividend referable to the financial year ended 30 June 2024 in an amount not exceeding \$0.11 per Auswide Share declared and paid by Auswide to Auswide Shareholders before 31 October 2024; and
- (b) in relation to MyState, a dividend referable to the financial year ended 30 June 2024 in an amount not exceeding \$0.115 per MyState Share declared and paid by MyState to shareholders of MyState before 30 September 2024.

Permitted HY Dividend means:

- For personal use only
- (a) in relation to Auswide, a dividend referable to the half year ending 31 December 2024 for an amount which is within Auswide's Board approved payout ratio as at the date of this document, being a ratio 70-80% of net profit after tax, declared and paid by Auswide to Auswide Shareholders after 31 December 2024, and otherwise in accordance with clause 4.5(a)(ii); and
 - (b) in relation to MyState, a dividend referable to the half year ending 31 December 2024 for an amount within MyState's Board approved payout ratio as at the date of this document, being a ratio of 60-80% of net profit after tax, declared and paid by MyState to shareholders of MyState after 31 December 2024 and otherwise in accordance with clause 4.5(a)(ii).

PPSA means the *Personal Property Securities Act 2009* (Cth).

Proceeds has the meaning given to it in clause 4.7(a)(ii)(B).

Prudential Standard means a prudential standard made under section 11AF of the Banking Act.

Record Date means 5.00pm on the 2nd Business Day following the Effective Date or any other time and date as Auswide and Bidder agree in writing.

Register means the share register of Auswide and **Registry** has a corresponding meaning.

Regulator's Draft means the draft of the Scheme Booklet in a form acceptable to both parties which is provided to ASIC for approval pursuant to section 411(2) of the Corporations Act.

Regulatory Approval includes:

- (a) all approvals, consents, notices, permits, licences and authorisations; or
- (b) exemptions, notices of non-objection and waivers,

from, to, by or with a Regulatory Authority, and includes any item contemplated by paragraphs (a) or (b) of this definition from, to, by or with of any Regulatory Authority to the Scheme or any aspect of it which is necessary or desirable to implement the Scheme.

Regulatory Authority includes:

- (a) ASX, ACCC, ASIC, APRA and the Takeovers Panel;
- (b) a government or governmental, semi-governmental or judicial entity or authority;
- (c) the Treasurer, a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- (d) any regulatory organisation established under statute.

Related Body Corporate has the meaning it has in the Corporations Act.

Relevant Interest has the meaning it has in sections 608 and 609 of the Corporations Act.

Representative means, in relation to a party:

- (a) a Related Body Corporate;
- (b) a director, officer or employee of the party or any of the party's Related Bodies Corporate; or
- (c) an adviser to the party or any of the party's Related Bodies Corporate, where an "adviser" means, in relation to an entity, a financier, financial adviser, corporate adviser, legal adviser, or technical or other expert adviser or consultant who provides advisory services in a professional capacity and who has been engaged by that entity.

Reverse Break Fee means \$2,000,000.00.

Sale Agent means an entity or person appointed by MyState to sell MyState Shares as defined in clause 4.7(a)(i).

Scheme means the scheme of arrangement under part 5.1 of the Corporations Act under which all the Auswide Shares will be transferred to Bidder substantially in the form of Annexure A (or such other form as the parties may agree in writing) together with any amendment or modification made pursuant to section 411(6) of the Corporations Act.

Scheme Booklet means, in respect of the Scheme, the information booklet to be approved by the Court and despatched to Auswide Shareholders which includes the Scheme, an explanatory statement complying with the requirements of the Corporations Act, the Corporations Regulations and ASIC Regulatory Guide 60, the Independent Expert's Report and notices of meeting and proxy forms.

Scheme Consideration means the consideration to be issued by MyState for the transfer of Auswide Shares held by a Scheme Participant to Bidder, being, in respect of each Auswide Share, 1.112 New MyState Shares, unless the Scheme Consideration is adjusted in accordance with clause 4.3, in which case all references to the 'Scheme Consideration' in this document are to be read as references to the 'Adjusted Scheme Consideration'.

Scheme Meeting means the meeting to be convened by the Court at which Auswide Shareholders will vote on the Scheme.

Scheme Participants means each person who is an Auswide Shareholder at the Record Date.

Second Court Date means the day on which the Court makes an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme.

Securitisation Vehicles means the following securitisation vehicles and securitisation arrangements of Auswide:

- (a) Widcap Securities Pty. Ltd. ACN 010 578 202;
- (b) Widebay Trust No. 5;
- (c) WB Trust 2008-1;
- (d) ABA Trust No. 7;
- (e) ABA Trust 2017-1; and
- (f) ABA Trust 2023-1.

Selfco means Specialist Equipment Leasing Finance Company Pty. Limited ACN 099 591 616.

Selfco Material Adverse Effect means any party becoming entitled to validly exercise a right of termination under the Selfco Transaction Documents due to the occurrence of a "Material Adverse Change" between the date of the Selfco Transaction Documents and "Completion" (as those terms in inverted commas are defined under those documents).

Selfco Raise means the capital raising (comprising an institutional placement and share purchase plan of new Auswide Shares at an issue price of \$4.00 per share) to be conducted by Auswide in connection with the Selfco Transaction and announced on or about the date of this document, which must not exceed \$15 million in total.

Selfco Shareholders means the shareholders of Selfco as at the date of this document.

Selfco Transaction means the series of transactions associated with the proposed acquisition (by way of share acquisition, asset acquisition or a combination of both) of Selfco and the specialist equipment leasing book and related assets owned by Selfco under the Selfco Transaction Documents and in connection with the Selfco Raise, which is expected to include:

- (a) the issuance of up to 1,174,847 new Auswide Shares as consideration for the proposed acquisition;
- (b) the issuance of up to 3,750,000 new Auswide Shares via the Selfco Raise; and
- (c) each other transaction expressly provided for in a Selfco Transaction Document.

Selfco Transaction Documents means each of the following documents Disclosed to MyState or Bidder:

- (a) the Share Purchase Agreement between, amongst others, Auswide and the Selfco Shareholders; and
- (b) the Asset Sale and Purchase Deed, between Auswide, Selfco Eticore SD Services Pty Ltd and Eticore SD Pty Ltd as trustee for the Selfco Warehouse Trust 2020-1.

Selfco Transaction End Date means 30 September 2024.

Share Splitting means the splitting by an Auswide Shareholder of Auswide Shares into 2 or more parcels of Auswide Shares but which does not result in any change in beneficial ownership of the Auswide Shares.

Specified Event means an event, occurrence or matter that:

- (a) occurs after the date of this document;
- (b) occurs before the date of this document but is only announced or publicly disclosed after the date of this document; or
- (c) will or is likely to occur after the date of this document and which has not been publicly announced prior to the date of this document.

Subsidiary of an entity means another entity which:

- (a) is a subsidiary of the first entity within the meaning of the Corporations Act; and

- (b) is part of a consolidated group constituted by the first entity and the entities it is required to include in the consolidated financial statements it prepares or would be, if the first entity was required to prepare consolidated financial statements.

Superior Proposal means an Auswide Superior Proposal or a MyState Superior Proposal, as the context requires.

TAA means the *Taxation Administration Act 1953* (Cth).

Tax Act means the *Income Tax Assessment Act 1936* (Cth) or the *Income Tax Assessment Act 1997* (Cth), or both as the context requires.

Taxes means taxes, levies, imposts, charges and duties (including stamp and transaction duties) paid, payable or assessed as being payable by any authority together with any fines, penalties and interest in connection with them.

Transaction Implementation Committee means a committee to be made up of:

- (a) the chief executive officer of each of Auswide and MyState;
- (b) a representative from each of the financial advisers of each party; and
- (c) anyone else as the parties may agree from time to time.

Treasurer means the Treasurer of the Commonwealth of Australia.

Unsuccessful Cyber Event means activities such as pings and other broadcast attacks on a person's firewall, port scans, unsuccessful log-on attempts, denials of service and any combination of the above, so long as no such incident results in unauthorised access or use of non-public information stored on an IT System or the sustained interruption of service to a person.

Unvested Auswide Performance Rights means those Auswide Performance Rights that have not vested in accordance with their terms, which as at the date of this document is 139,513 Auswide Performance Rights.

Valid Variation Notice means a Variation Notice, which contains:

- (a) the name of each Auswide Shareholder, referred to in clause 4.10(a), which matches the name of the same Auswide Shareholder on the Register; and
- (b) an expiry date which is on or after the date Bidder becomes the owner of the shares referred to in clause 4.10(a).

Variation Notice means a notice of variation granted by the Commissioner under subsection 14-235(2) of Schedule 1 to the TAA.

Vested Auswide Performance Rights means those Auswide Performance Rights (if any) that have vested (and been assessed by Auswide as capable of vesting prior to the Record Date) in accordance with their terms.

Withholding Amount means the amount that Bidder or MyState, as applicable, is required to pay to the Commissioner under Subdivision 14-D of Schedule 1 of the TAA in respect of the acquisition of any Auswide Shares from an Auswide Shareholder.

Withholding Declaration means a declaration under section 14-225 of Schedule 1 to the TAA in respect of the acquisition of any Auswide Shares from an Auswide Shareholder.

1.2 General interpretation

Headings and labels used for definitions are for convenience only and do not affect interpretation. Unless the contrary intention appears, in this document:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a document includes any agreement or other legally enforceable arrangement created by it (whether the document is in the form of an agreement, deed or otherwise);
- (c) a reference to a document also includes any variation, replacement or novation of it;
- (d) the meaning of general words is not limited by specific examples introduced by “including”, “for example”, “such as” or similar expressions;
- (e) a reference to “**person**” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority or any other entity or organisation;
- (f) a reference to a particular person includes the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (g) a reference to a time of day is a reference to Sydney time;
- (h) a reference to dollars, \$ or A\$ is a reference to the currency of Australia;
- (i) a reference to “**law**” includes common law, principles of equity and legislation (including regulations);
- (j) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;
- (k) a reference to “**regulations**” includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations);
- (l) a reference to a group of persons is a reference to each of them individually; and
- (m) a reference to any thing (including an amount) is a reference to the whole and each part of it.

1.3 Fairly disclosed

A fact, matter, circumstance or thing will be fairly disclosed if it is disclosed in writing in good faith, and in a manner and in sufficient detail so as to enable a person to be reasonably apprised as to the nature, scope and significance of the relevant matter, event, circumstance or thing.

1.4 Reasonable endeavours and best endeavours

Any provision of this document that requires a party to use reasonable endeavours, all reasonable endeavours or best endeavours, or to take all steps reasonably necessary, to procure that something is performed or occurs, requires that party to do so as soon as is reasonably practicable, but does not include any obligation:

- (a) to pay any significant sum of money or to provide any significant financial compensation, valuable consideration or any other incentive to or for the benefit of any person, except for payment of any application fee for the lodgement or filing of any relevant application with any Regulatory Authority or fees to any professional advisers;
- (b) to commence any legal action or proceeding against any person, to procure that that thing is done or happens; or
- (c) agree to commercially onerous or unreasonable conditions,
- except where that provision or this document expressly specifies otherwise.

1.5 Next Business Day

If an event must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day.

2 Agreement to propose and implement Scheme

2.1 Auswide to propose Scheme

Auswide agrees to propose the Scheme on and subject to the terms and conditions of this document.

2.2 Agreement to implement Scheme

The parties agree to implement the Scheme on the terms and conditions of this document.

3 Conditions Precedent

3.1 Conditions Precedent

Subject to this clause 3, the Scheme will not become Effective, and the respective obligations of the parties in regards to the implementation of the Scheme, including under clause 4.4 are not binding, until each of the following Conditions Precedent are satisfied or waived to the extent and in the manner set out in this clause 3.

Condition Precedent		Party entitled to benefit	Party responsible
(a)	(ASIC and ASX) before 8.00am on the Second Court Date, ASIC and ASX issue or provide any Regulatory Approvals, or have done any other acts, which are reasonably necessary or desirable to implement the Scheme, and those consents, approvals or other acts have not been withdrawn or revoked at that time.	All	All
(b)	(ACCC) before 8.00am on the Second Court Date, MyState, Bidder and Auswide are reasonably satisfied that the ACCC does not intend to oppose the proposed Scheme or it	All	All

Condition Precedent		Party entitled to benefit	Party responsible
	does not intend to oppose the proposed Scheme subject to undertakings, and those undertakings being acceptable to MyState, Bidder and Auswide (each acting reasonably) and that advice has not been withdrawn or revoked at that time.		
(c)	(Shareholder approval) Auswide Shareholders approve the Scheme by the requisite majorities under section 411(4)(a)(ii) of the Corporations Act.	Cannot be waived	Auswide
(d)	(Court approval) the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.	Cannot be waived	Auswide
(e)	(Regulatory Authority) before 8.00am on the Second Court Date, all other Regulatory Approvals (including any Regulatory Approvals under a Prudential Standard), which MyState, Bidder and Auswide (each acting reasonably) agree are necessary or desirable to implement the Scheme are obtained, and those Regulatory Approvals have not been withdrawn or revoked.	All	All
(f)	(Treasurer approval under FSSA) before 8.00am on the Second Court Date the Treasurer (or APRA if such power has been delegated) has notified Bidder, MyState and Auswide in writing that each of MyState (as the NOHC) and Bidder (as the acquirer) is approved to hold a 100% "stake" (as that term is defined in the FSSA) in Auswide under section 14 of the FSSA and, if such approval is subject to conditions, those conditions are acceptable to Bidder, MyState and Auswide.	Cannot be waived	All
(g)	(Treasurer approval under Banking Act) before 8.00am on the Second Court Date the Treasurer has given prior written consent (or APRA if the giving of such consent has been delegated) under section 63(1) of the Banking Act, to Auswide (or if required, MyState or Bidder) in relation to the Scheme, and if such consent is subject to conditions those conditions are acceptable to Auswide, MyState and Bidder.	Cannot be waived	All
(h)	(Regulatory intervention) no Court or Regulatory Authority has issued notice of an investigation in relation to a party or has otherwise issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree	All	All

Condition Precedent		Party entitled to benefit	Party responsible
	or ruling or taken any action enjoining, restraining or otherwise imposing a legal restraint or prohibition preventing (or which would have the effect of preventing) the Scheme and none of those things is in effect as at 8.00am on the Second Court Date.		
(i)	(Independent Expert) the Independent Expert issues a report which concludes that the Scheme is in the best interests of Scheme Participants before the date on which the Scheme Booklet is lodged with ASIC and does not change its conclusion in any written update to its report or withdraw its report prior to 8.00am on the Second Court Date.	Auswide	Auswide
(j)	(Counterparty consents) prior to 8.00am on the Second Court Date, Auswide has obtained any consent required from each counterparty to a Material Contract to which a member of the Auswide Group is a party (where such consent is required under the Material Contract) or (if applicable) written waiver of any right that the counterparty has to terminate or vary the Material Contract arising as a result of the Scheme, including as a result of the change in control in Auswide as contemplated by the Scheme becoming Effective.	Bidder and MyState	Auswide
(k)	(No Auswide Prescribed Event) no Auswide Prescribed Event occurs between the date of this document and 8.00am on the Second Court Date.	Bidder and MyState	Auswide
(l)	(No Auswide Material Adverse Effect) no Auswide Material Adverse Effect occurs between the date of this document and 8.00am on the Second Court Date.	Bidder and MyState	Auswide
(m)	(Selfco Material Adverse Effect): "Completion" (as the term in inverted commas is defined under the Selfco Transaction Documents) occurs notwithstanding a Selfco Material Adverse Effect has occurred which is waived by Auswide under the Selfco Transaction Documents in circumstances where such waiver was not approved or consented to by Bidder or MyState (as applicable) (acting reasonably and in good faith).	Bidder and MyState	Auswide

Condition Precedent		Party entitled to benefit	Party responsible
(n)	(Auswide Representations and Warranties) the Auswide Representations and Warranties are true and correct in all material respects at all times between the date of this document and as at 8.00am on the Second Court Date, except where expressed to be operative at another date.	Bidder and MyState	Auswide
(o)	(No MyState Prescribed Event) no MyState Prescribed Event occurs between the date of this document and 8.00am on the Second Court Date.	Auswide	Bidder and MyState
(p)	(No MyState Material Adverse Effect) no MyState Material Adverse Effect occurs between the date of this document and 8.00am on the Second Court Date.	Auswide	Bidder and MyState
(q)	(MyState Representations and Warranties) the MyState Representations and Warranties are true and correct in all material respects at all times between the date of this document and as at 8.00am on the Second Court Date, except where expressed to be operative at another date.	Auswide	Bidder and MyState
(r)	(Quotation) the New MyState Shares have been approved for official quotation on ASX, subject only to customary conditions and the Scheme becoming Effective, and the approval (subject only to those customary conditions, if applicable) has not been withdrawn, suspended or revoked before 8.00am on the Second Court Date.	Auswide	MyState
(s)	(Auswide Litigation) before 8.00am on the Second Court Date, no person announces, commences or threatens any claim, dispute or litigation (including any court proceeding, arbitration or expert determination) against an Auswide Group entity (whether in aggregate or for any single litigation) where, the quantum claimed under that process is, or which may result in a judgment against an Auswide Group entity of more than \$2 million.	Bidder and MyState	Auswide
(t)	(MyState Litigation) before 8.00am on the Second Court Date, no person announces, commences or threatens any claim, dispute or litigation (including any court proceeding, arbitration or expert determination) against a MyState Group entity (whether in aggregate or for any single litigation) where, the quantum claimed under that process is, or	Auswide	Bidder and MyState

Condition Precedent		Party entitled to benefit	Party responsible
	which may result in a judgment against a MyState Group entity of more than \$4.25 million.		
(u)	(Auswide enforcement) before 8.00am on the Second Court Date, no material enforcement action or investigation is announced or commenced by a Regulatory Authority against or involving an Auswide Group entity.	All	All
(v)	(MyState enforcement) before 8.00am on the Second Court Date, no material enforcement action or investigation is announced or commenced by a Regulatory Authority against or involving a MyState Group entity.	All	All
(w)	(Tax ruling) Before 8.00am on the Second Court Date, Auswide has received confirmation from the Australian Taxation Office that it is prepared to issue a Class Ruling, in a form and substance satisfactory to Auswide acting reasonably, confirming that qualifying Australian resident Auswide Shareholders who hold their Auswide Shares on capital account will be eligible to choose scrip-for-scrip rollover relief under Subdivision 124-M of the Tax Act to the extent to which they receive New MyState Shares in exchange for their Auswide Shares under the Scheme.	Auswide	Auswide

3.2 Reasonable endeavours

Each of Auswide, MyState and Bidder agree to use reasonable endeavours within its own capacity to procure that:

- (a) each of the Conditions Precedent for which it is a party responsible (as noted in clause 3.1):
 - (i) is satisfied as soon as practicable after the date of this document; and
 - (ii) continues to be satisfied at all times until the last time it is to be satisfied (as the case may require),
 including by providing all reasonable assistance to each other; and
- (b) there is no occurrence that would prevent the Condition Precedent for which it is a party responsible being satisfied.

3.3 Regulatory matters

Without limiting clause 3.2, each party:

- (a) **(copy of draft Regulatory Approvals)** must promptly provide the other party or parties with a copy for comment of all draft applications for any Regulatory Approval that have not already been applied for as at the date of this document and take all reasonable comments from the other party or parties into account;
- (b) **(applying for Regulatory Approvals)** must promptly apply for all relevant Regulatory Approvals for which it is noted as party responsible in clause 3.1, and provide each other party with a copy of those applications (provided that any commercially sensitive information may be redacted from the copy provided);
- (c) **(provide information)** promptly provide each other party with all information reasonably requested in connection with any Regulatory Approval applications;
- (d) **(Regulatory Approvals process)** must take all steps it is responsible for as part of each Regulatory Approval process, including responding to requests for information from a Regulatory Authority to the fullest extent it is legally able to do so and at the earliest practicable time;
- (e) **(representation)** has the right to be represented and make submissions at any meeting with any Regulatory Authority relating to a Regulatory Approval, including where the application for the Regulatory Approval is made by another party;
- (f) **(resources)** must dedicate resources reasonably necessary to apply for, and seek to obtain, the Regulatory Approvals for which it is a party responsible (as noted in clause 3.1);
- (g) **(consultation)** must consult with the other party or parties in advance in relation to all communications (whether written or oral, and whether direct or via a Representative) with any Regulatory Authority relating to any Regulatory Approval and:
- (i) provide the other party or parties with drafts of any material written communications to be sent to a Regulatory Authority and make any amendments as the other party or parties reasonably requires; and
 - (ii) provide copies of any material written communications sent to or received from a Regulatory Authority to the other party or parties promptly upon despatch or receipt (as the case may be),

in each case to the extent it is reasonable to do so; and

- (h) **(Regulatory Authority)** must promptly offer to the relevant Regulatory Authority, and agree or accept, all undertakings, commitments and conditions necessary or appropriate in order to obtain the approval or consent (as the case may be) as soon as possible, unless it would be unreasonable to do so,

provided that information that is commercially sensitive information to a party or any of their respective Related Bodies Corporate (acting reasonably) must be provided to the other party or parties either by redacting any such commercially sensitive information to the extent appropriate to avoid disclosure or otherwise in accordance with any applicable Information Sharing Protocols between the parties from time to time.

3.4 Waiver of Conditions Precedent

- (a) A Condition Precedent may only be waived in writing by the party or parties entitled to the benefit of that Condition Precedent as noted in clause 3.1 and will be effective only to the extent specifically set out in that waiver. If more than one party is entitled to the benefit of a Condition Precedent, then each party so entitled must sign the waiver.
- (b) A party entitled to waive the breach or non-fulfilment of a Condition Precedent under this clause 3.4 may do so in its absolute discretion.
- (c) If a party waives the breach or non-fulfilment of a Condition Precedent in accordance with this clause 3.4, then:
 - (i) subject to clause 3.4(c)(ii), that waiver precludes that party from suing any other party for any breach of this document arising as a result of the breach or non-fulfilment of that Condition Precedent or arising from the same event which gave rise to the breach or non-fulfilment of that Condition Precedent; but
 - (ii) if the waiver of the Condition Precedent is itself conditional and the other party or parties:
 - (A) accepts the condition, the terms of that condition apply notwithstanding any inconsistency with clause 3.4(c)(i); or
 - (B) does not accept the condition, the Condition Precedent has not been waived.
- (d) A waiver of a breach or non-fulfilment in respect of a Condition Precedent does not constitute:
 - (i) a waiver of a breach or non-fulfilment of any other Condition Precedent arising from the same event; or
 - (ii) a waiver of a breach or non-fulfilment of that Condition Precedent resulting from any other event.
- (e) Conditions Precedent that are noted in clause 3.1 as "cannot be waived" or words to a similar effect, cannot be waived by any party.

3.5 Notices in relation to Conditions Precedent

Each party must:

- (a) **(notice of satisfaction)** promptly notify each other party of satisfaction of a Condition Precedent which it is responsible for satisfying and must keep the other informed of any material development of which it becomes aware that may lead to the breach or non-fulfilment of a Condition Precedent;
- (b) **(notice of failure)** immediately give written notice to the other of a breach or non-fulfilment, or reasonably likely breach or non-fulfilment, of a Condition Precedent, or of any event which will prevent the Condition Precedent being satisfied; and
- (c) **(notice of waiver)** upon receipt of a notice given under clause 3.5(b), give written notice to each other party as soon as possible (and in any event before 5.00pm on the day before the Second Court Date) as to whether or not it waives the breach or non-fulfilment of any Condition

Precedent resulting from the occurrence of that event, specifying the Condition Precedent in question.

Failure to provide a notice required by this clause 3.5 will not give rise to the failure of a Condition Precedent or any right to terminate this document.

3.6 Consultation on failure of Condition Precedent

If:

- (a) there is a breach or non-fulfilment of a Condition Precedent which is not waived in accordance with this document by the time or date specified in this document for the satisfaction of the Condition Precedent;
- (b) there is an act, failure to act or occurrence which will prevent a Condition Precedent being satisfied by the time or date specified in this document for the satisfaction of the Condition Precedent (and the breach or non-fulfilment which would otherwise occur has not already been waived in accordance with this document); or
- (c) it becomes more likely than not that the Scheme will not become Effective on or before the End Date,

the parties must consult in good faith with a view to determine whether both parties wish to pursue the Scheme and, if so:

- (d) whether the Scheme may proceed by way of alternative means or methods;
- (e) to extend the relevant time for satisfaction of the Condition Precedent or to adjourn or change the date of an application to the Court; or
- (f) to extend the End Date.

3.7 Failure to agree

- (a) If the parties are unable to reach agreement under clause 3.6 or do not both wish to pursue the Scheme in each case within 5 Business Days (or any shorter period ending at 5.00pm on the day before the Second Court Date):
 - (i) subject to clause 3.7(a)(ii), a party may terminate this document (and that termination will be in accordance with clause 14.1(f)(i)); or
 - (ii) if a Condition Precedent may be waived and exists for the benefit of one party only, that party only may waive that Condition Precedent or terminate this document (and that termination will be in accordance with clause 14.1(f)(ii)),

in each case before 8.00am on the Second Court Date.

- (b) A party will not be entitled to terminate this document under this clause if the relevant Condition Precedent has not been satisfied or agreement cannot be reached as a result of a breach of this document by that party or a deliberate act or omission of that party.
- (c) For the avoidance of doubt, nothing in this clause 3.7 affects the obligation of Auswide to pay the Break Fee, or the obligation of MyState to pay the Reverse Break Fee, if it is required to do so under clause 11 or 12 (as applicable).

3.8 Scheme voted down because of the Headcount Test

If the Scheme is not approved by Auswide Shareholders at the Scheme Meeting by reason only of the non-satisfaction of the Headcount Test and the parties consider, acting reasonably, that Share Splitting or some abusive or improper conduct may have caused or contributed to the Headcount Test not having been satisfied then Auswide must:

- (a) apply for an order of the Court contemplated by section 411(4)(a)(ii)(A) of the Corporations Act to disregard the Headcount Test and seek Court approval of the Scheme under section 411(4)(b) of the Corporations Act, notwithstanding that the Headcount Test has not been satisfied; and
- (b) make such submissions to the Court and file such evidence as counsel engaged by Auswide to represent it in Court proceedings related to the Scheme in consultation with Bidder and MyState, consider is reasonably required to seek to persuade the Court to exercise its discretion under section 411(4)(a)(ii)(A) of the Corporations Act by making an order to disregard the Headcount Test.

4 Outline of Scheme

4.1 Scheme

Auswide must propose a scheme of arrangement under which:

- (a) all the Auswide Shares held by Scheme Participants at the Record Date will be transferred to Bidder; and
- (b) each Scheme Participant will be entitled to receive the Scheme Consideration.

4.2 Scheme Consideration

Subject to and in accordance with this document and the Scheme (including for the avoidance of doubt clause 4.7 in relation to Ineligible Foreign Shareholders), each Scheme Participant is entitled to receive the Scheme Consideration in respect of each Auswide Share held by that Scheme Participant.

4.3 Adjustment of Scheme Consideration

If:

- (a) the Selfco Raise does not occur (in which case completion of the Selfco Transaction will also not occur), then the parties acknowledge and agree that the Scheme Consideration will be adjusted, such that the consideration to be issued by MyState for the transfer of Auswide Shares held by a Scheme Participant to Bidder will be, in respect of each Auswide Share, 1.120 New MyState Shares; and
- (b) the Selfco Raise is implemented, but the acquisition of Selfco as expressly provided for by the Selfco Transaction Documents does not occur on or before the Selfco Transaction End Date, then the parties acknowledge and agree that the Scheme Consideration will be adjusted, such that the consideration to be issued by MyState for the transfer of Auswide Shares held by a Scheme Participant to Bidder will be, in respect of each Auswide Share, 1.112 New MyState Shares,

in either case, being the '**Adjusted Scheme Consideration**'.

4.4 Provision of Scheme Consideration

Subject to this document and the Scheme, Bidder undertakes to Auswide (in its own right and separately as trustee or nominee of each Scheme Participant) that, in consideration of the transfer to Bidder of each Auswide Share held by a Scheme Participant, Bidder will, on the Implementation Date:

- (a) accept that transfer; and
- (b) procure that MyState provides (and MyState agrees to provide) to each Scheme Participant, the Scheme Consideration in accordance with this document, the Deed Poll and the Scheme.

4.5 Permitted dividends

- (a) The parties acknowledge and agree that:
 - (i) Auswide and MyState may each announce, declare and pay a Permitted FY Dividend (and for the avoidance of doubt each party may only announce, declare and pay one Permitted FY Dividend); and
 - (ii) in the event that the Scheme has not become Effective prior to the commencement of the HY Dividend Payout Window, Auswide and MyState may each announce, declare and pay a Permitted HY Dividend provided that:
 - (A) such dividend must be both declared and paid before the end of the HY Dividend Payout Window; and
 - (B) the relevant Permitted HY Dividend is solely paid out of the distributable profits of Auswide or MyState (as applicable) for the six month period to 31 December 2024 (and for the avoidance of doubt each party may only announce, declare and pay one Permitted HY Dividend).
- (b) For the avoidance of doubt, the Scheme Consideration will not be adjusted by any Permitted FY Dividend or Permitted HY Dividend.
- (c) Auswide must take all steps reasonably required to suspend the operation of any dividend reinvestment plan following its application to the Auswide Permitted FY Dividend, and such that it must not operate in respect of any Auswide Permitted HY Dividend.
- (d) MyState must take all steps reasonably required to suspend the operation of any dividend reinvestment plan following its application to the MyState Permitted FY Dividend, and such that it must not operate in respect of any MyState Permitted HY Dividend.
- (e) Notwithstanding clause 4.5(c) and clause 4.5(d), from the date of this document, neither Auswide nor MyState may:
 - (i) offer a discount greater than 2.5% under its dividend reinvestment plan; or
 - (ii) underwrite (fully or partly) or enter into an agreement to underwrite (fully or partly) its dividend reinvestment plan.

4.6 Fractional elements

- (a) If the number of Auswide Shares held by a Scheme Participant at the Record Date is such that the aggregate entitlement of the Scheme Participant to Scheme Consideration comprising New MyState Shares includes a fractional entitlement to a New MyState Share, the entitlement will be rounded as follows:
- (i) if the fractional entitlement is less than 0.5, it will be rounded down to the nearest whole number of New MyState Shares; and
 - (ii) if the fractional entitlement is equal to or more than 0.5, it will be rounded up to the nearest whole number of New MyState Shares.
- (b) If Bidder and Auswide are of the opinion (acting reasonably) that 2 or more Scheme Participants (each of whom holds a number of Auswide Shares which results in rounding in accordance with clause 4.6(a)) have, before the Record Date for the Scheme, been party to Share Splitting in an attempt to obtain unfair advantage by reference to that rounding, if requested by Bidder, Auswide must give notice to those Scheme Participants:
- (i) setting out their names and registered addresses as shown in the Register;
 - (ii) stating that opinion; and
 - (iii) attributing to one of them specifically identified in the notice the Auswide Shares held by all of them.

After the notice has been given, the Scheme Participant specifically identified in the notice as the deemed holder of the specified Auswide Shares will, for the purpose of the provisions of the Scheme, be taken to hold all of those Auswide Shares and each of the other Scheme Participants whose names and registered addresses are set out in the notice will, for the purposes of the provisions of the Scheme, be taken to hold no Auswide Shares. Bidder and MyState, in complying with the provisions of the Scheme relating to it in respect of the Scheme Participant specifically identified in the notice as the deemed holder of all the specified Auswide Shares, will be taken to have satisfied and discharged its obligations to the other Scheme Participants named in the notice under the terms of the Scheme.

4.7 Ineligible Foreign Shareholders

- (a) Where an Ineligible Foreign Shareholder would otherwise be entitled to receive New MyState Shares as Scheme Consideration pursuant to clause 4.4, MyState must not, and each of MyState and Bidder will have no obligation to issue, or procure the issue of, any New MyState Shares to the Ineligible Foreign Shareholder, and instead:
- (i) Bidder must procure the issue by MyState (and MyState agrees to issue) to a nominee appointed by MyState (**Sale Agent**) any New MyState Shares to which an Ineligible Foreign Shareholder would otherwise be entitled to receive;
 - (ii) Bidder or MyState (as applicable) must procure that the Sale Agent:

- (A) as soon as reasonably practicable after the Implementation Date (and in any event within 20 Business Days after the Implementation Date), sells or procures the sale of all of the New MyState Shares issued to the Sale Agent pursuant to clause 4.7(a)(i), in the ordinary course of trading on the ASX at such price as the Sale Agent reasonably determines in good faith; and
- (B) remits to Bidder or MyState (as applicable) (or to Ineligible Foreign Shareholders as directed by Bidder or MyState (as applicable)) the proceeds of such sale (net of any applicable brokerage, stamp duty and other selling costs, taxes and charges) (**Proceeds**); and
- (iii) promptly after receiving the Proceeds in accordance with clause 4.7(a)(ii)(B), Bidder or MyState (as applicable) must pay or procure the payment to each Ineligible Foreign Shareholder an amount equal to the proportion of the net proceeds of sale received by Bidder or MyState (as applicable) under clause 4.7(a)(ii)(B) to which that Ineligible Foreign Shareholder is entitled in full satisfaction of the Ineligible Foreign Shareholder's entitlement to the relevant New MyState Shares.
- (b) Bidder and MyState must procure that the Sale Agent is appointed on terms reasonably acceptable to Auswide and to MyState at least 5 Business Days before the date of the Scheme Meeting.
- (c) None of Bidder, MyState, Auswide or the Sale Agent gives any assurance as to the price that will be achieved for the sale of New MyState Shares in accordance with this clause 4.7 and the sale of New MyState Shares will be at the risk of the Ineligible Foreign Shareholder.

4.8 New MyState Shares to rank equally

MyState covenants in favour of Auswide (in its own right and separately as trustee or nominee of each Scheme Participant) that:

- (a) all New MyState Shares issued as Scheme Consideration pursuant to clause 4.4 will, upon their issue:
 - (i) rank equally in all respects with all other MyState Shares then on issue and be entitled to participate in and receive any dividends, any distribution of capital and any other entitlements accruing in respect of MyState Shares after the Implementation Date;
 - (ii) be fully paid and free from Encumbrance; and
- (b) it will do everything reasonably necessary to ensure the New MyState Shares issued under the Scheme will be listed for quotation on the official list of ASX on or before the Business Day after the Effective Date, initially on a deferred settlement basis, and will commence trading on a normal (T+2) settlement basis no later than the Business Day following the Implementation Date.

4.9 Employee incentives

- (a) On and from the date of this document, neither Auswide nor MyState may issue any Auswide Performance Rights or MyState Performance Rights (as applicable), or any other security convertible into shares,

other than as Disclosed or with the prior written consent of the other party, which consent must not be unreasonably withheld or delayed.

- (b) The parties acknowledge that Auswide must procure that each Vested Auswide Performance Right will be converted into, or replaced with, one Auswide Share prior to the Record Date.
- (c) In relation to each Unvested Auswide Performance Right, Auswide must:
 - (i) if agreed with MyState and subject to any legal or regulatory requirements or restrictions, procure that each Unvested Auswide Performance Right is vested, on terms consented to in writing by MyState (which consent must not be unreasonably withheld or delayed) and, following vesting, cause the relevant number of Auswide Shares to be transferred or issued (as applicable) to the relevant former holders of the relevant Unvested Auswide Performance Rights prior to the Record Date; or
 - (ii) take any action as may be necessary to cancel or extinguish, on terms consented to in writing by MyState (which consent must not be unreasonably withheld or delayed), any Unvested Auswide Performance Rights which it does not cause to vest in accordance with clause 4.9(c)(i), by no later than two Business Days prior to the Second Court Date.
- (d) If any Auswide Performance Right is to be cancelled for consideration:
 - (i) Auswide must ensure that it has complied with the existing terms of the relevant Auswide Performance Rights and any regulatory or legal requirements or restrictions including the applicable Listing Rules (subject to obtaining any relevant written confirmation and/or waivers from the ASX);
 - (ii) MyState or Bidder (as applicable) agrees to procure the provision of any consideration (which may include cash, MyState Shares or MyState Performance Rights, in such numbers and on such terms as considered appropriate by Auswide and MyState or Bidder (as applicable) having consulted and agreed in good faith) to the relevant former holder of the relevant Unvested Auswide Performance Rights, subject to the Scheme becoming Effective; and
 - (iii) the parties agree to cooperate and to act in good faith to facilitate the cancellation of the relevant Unvested Auswide Performance Rights and the issue or provision of the agreed consideration (including, if required, making any necessary lawful amendment, consent or determination and doing any such thing, for the purposes of the relevant terms and conditions of the Auswide Performance Rights and any replacement MyState securities (if any), as applicable).
- (e) For the avoidance of doubt, the parties agree that the exercise of any discretion by the Auswide Board to give effect to the matters agreed between the parties for the purposes of clause 4.9(c) or as otherwise agreed between the parties, will not be an Auswide Prescribed Event or a breach of any provision of this document.

4.10 Withholding

- (a) If either of Bidder or MyState determines (acting reasonably) that it must pay an amount to the Commissioner under Subdivision 14-D of Schedule 1 of the TAA in relation to the acquisition of any Auswide Shares from an Auswide Shareholder, Bidder or MyState, as applicable, must:
 - (i) determine the Withholding Amount to be paid to the Commissioner in respect of the acquisition of the Auswide Shares from such Auswide Shareholder;
 - (ii) deduct or procure the deduction of the Withholding Amount from the Scheme Consideration payable to such Auswide Shareholder;
 - (iii) pay or procure the payment of the Withholding Amount to the Commissioner within the timeframe required under the TAA; and
 - (iv) if requested in writing by the relevant Auswide Shareholder, provide or procure the provision of a receipt or other appropriate evidence of payment of the Withholding Amount to the Commissioner (or procure the provision of such receipt or other evidence) to the relevant Auswide Shareholder.
- (b) The aggregate sum payable to relevant Auswide Shareholders is not to be increased to reflect deduction of Withholding Amounts and the net aggregate sum payable to those Auswide Shareholders is to be taken to be full and final satisfaction of MyState's obligation to pay the Scheme Consideration to those Auswide Shareholders.
- (c) The parties may approach the ATO to obtain clarification as to the application of the CGT Withholding Law to the Scheme and must provide such information and assistance that either Bidder, MyState or Auswide reasonably require in making that approach.
- (d) The parties must:
 - (i) consult in good faith as to the application of the CGT Withholding Law to the Scheme; and
 - (ii) use reasonable endeavours to take all actions that are necessary or desirable in relation to the CGT Withholding Law, which may include, without limitation, promptly communicating with any Auswide Shareholder to obtain a Valid Variation Notice or Withholding Declaration contemplated by the CGT Withholding Law so as to reduce or eliminate the Withholding Amount payable to the Commissioner in respect of any Auswide Shareholder.

4.11 No amendment to the Scheme without consent

Auswide must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior written consent of MyState (not to be unreasonably withheld or delayed).

5 Implementation

5.1 General obligations

Auswide, MyState and Bidder must each:

- (a) use all reasonable endeavours and commit necessary resources (including management and corporate relations resources and the resources of external advisers); and
- (b) procure that its officers and advisers work in good faith and in a timely and co-operative fashion with the other party (including by attending meetings and by providing information),

to produce the Scheme Booklet and implement the Scheme as soon as reasonably practicable and in accordance with the Indicative Timetable.

5.2 Auswide's obligations

Auswide must take all reasonable steps to implement the Scheme on a basis consistent with this document as soon as reasonably practicable and in accordance with the Indicative Timetable and must:

- (a) **(announce directors' recommendation)** following execution of this document, announce, in a form agreed between Auswide and MyState (on the basis of statements made to Auswide by each member of the Auswide Board) that:
 - (i) the Auswide Board intends to unanimously recommend to Scheme Participants that the Scheme be approved; and
 - (ii) each Auswide Board member who holds Auswide Shares, intends to vote his or her Auswide Shares in favour of the Scheme,subject to:
 - (iii) the Independent Expert concluding, and continuing to conclude, that the Scheme is in the best interests of Auswide Shareholders; and
 - (iv) there being no Superior Proposal;
- (b) **(preparation of Scheme Booklet)** subject to clause 5.2(e)(i), as soon as practicable after the date of this document, prepare and despatch the Scheme Booklet:
 - (i) in accordance with all applicable laws, including the Corporations Act, Corporations Regulations, ASIC Regulatory Guide 60 and the Listing Rules; and
 - (ii) which includes a statement by the Auswide Board:
 - (A) unanimously recommending that Auswide Shareholders vote in favour of the Scheme subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Auswide Shareholders and there being no Auswide Superior Proposal; and
 - (B) that each Auswide Board member who holds or has a Relevant Interest in Auswide Shares intends to vote (or

caused to be voted) his or her Auswide Shares, including those Auswide Shares in which the Auswide Board member has a Relevant Interest, in favour of the Scheme subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Auswide Shareholders and there being no Auswide Superior Proposal;

- (c) **(Independent Expert)** promptly appoint the Independent Expert and provide any assistance and information reasonably requested by the Independent Expert to enable the Independent Expert to prepare its report for the Scheme Booklet as soon as practicable;
- (d) **(section 411(17)(b) statement)** apply to ASIC for the production of a statement pursuant to section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (e) **(consultation with Bidder)** consult with MyState as to the content and presentation of:
 - (i) the Scheme Booklet, which includes:
 - (A) allowing MyState a reasonable opportunity to review and make comments on successive drafts of the Scheme Booklet (accepting that any review of the Independent Expert's Report is limited to review for factual accuracy of those parts that include information relating to Bidder or MyState);
 - (B) taking any reasonable comments made by MyState into account in good faith when producing a revised draft of the Scheme Booklet;
 - (C) providing to MyState a revised draft of the Scheme Booklet within a reasonable time before the draft of the Scheme Booklet which is provided to ASIC for approval pursuant to section 411(2) of the Corporations Act is finalised;
 - (D) keep MyState informed of any matter raised by ASIC in relation to the Scheme Booklet and use all reasonable endeavours, in consultation with MyState, to resolve such matters;
 - (E) obtaining MyState's written consent to the inclusion of the MyState Information (including in respect of the form and context in which the MyState Information appears in the Scheme Booklet); and
 - (ii) the draft Independent Expert's Report, for the purpose of enabling MyState to conduct a limited review for factual accuracy of those parts of that document that include information relating to MyState Information, MyState or Bidder, and that Auswide makes no representation as to the extent to which the Independent Expert will include those comments, prior to it being finalised;
 - (iii) documents required for the purposes of the Court hearings held for the purposes of sections 411(1) and 411(4)(b) of the Corporations Act in relation to the Scheme (including originating processes, affidavits, submissions and draft minutes of Court

orders), and consider in good faith any comments on, or suggested amendments to, those documents from MyState or Bidder (as applicable) prior to filing those documents with the Court;

- (f) **(verification)** undertake appropriate verification processes for the Auswide Information in the Scheme Booklet and provide a certificate to MyState and Bidder confirming that appropriate and sufficient verification processes were undertaken by Auswide in respect of Auswide Information;
- (g) **(lodgement of Regulator's Draft)**
- (i) no later than 14 days before the First Court Date, provide an advanced draft of the Scheme Booklet (**Regulator's Draft**) to ASIC for its review for the purposes of section 411(2) of the Corporations Act, and provide a copy of the Regulator's Draft to MyState immediately thereafter; and
 - (ii) keep MyState reasonably informed of any material issues raised by ASIC in relation to the Regulator's Draft and, where practical to do so, consult with MyState in good faith prior to taking any steps or actions to address those material issues (provided that, where those issues relate to MyState Information, Auswide must not take any steps to address them without MyState's prior written consent, not to be unreasonably withheld);
- (h) **(supplementary disclosure)** if, after despatch of the Scheme Booklet, Auswide becomes aware:
- (i) that information included in the Scheme Booklet is or has become misleading or deceptive in any material respect (whether by omission or otherwise); or
 - (ii) of information that is required to be disclosed to Auswide Shareholders under any applicable law but was not included in the Scheme Booklet,
- promptly consult with MyState in good faith as to the need for, and the form of, any supplementary disclosure to Auswide Shareholders, and make any disclosure that Auswide and MyState considers reasonably necessary in the circumstances, having regard to applicable laws and to ensure that there would be no breach of clause 13.1(h) if it applied as at the date that information arose, and make that supplementary disclosure subject to the approval of the Court;
- (i) **(Court application)** apply to the Court for an order under section 411(1) of the Corporations Act directing Auswide to convene the Scheme Meeting;
 - (j) **(send Scheme Booklet)** send the Scheme Booklet to Auswide Shareholders as soon as practicable after the Court orders Auswide to convene the Scheme Meeting;
 - (k) **(Scheme Meeting)** convene the Scheme Meeting to agree to the Scheme in accordance with any orders made by the Court pursuant to section 411(1) of the Corporations Act;
 - (l) **(director's voting)** use its reasonable endeavours to procure that each member of the Auswide Board votes any Auswide Shares in which they have a Relevant Interest in favour of the Scheme, subject to the

Independent Expert continuing to conclude that the Scheme is in the best interests of Auswide Shareholders and there being no Superior Proposal;

- (m) **(Court approval)** subject to all Conditions Precedent, other than paragraph (d) in clause 3.1 being satisfied or waived in accordance with this document, apply to the Court for an order approving the Scheme in accordance with sections 411(4)(b) and 411(6) of the Corporations Act;
- (n) **(Conditions Precedent certificate)** at the hearing on the Second Court Date, provide to the Court (through its counsel):
 - (i) a certificate signed by one of its directors and made in accordance with a resolution of its board confirming (in respect of matters within Auswide's knowledge) whether or not the Conditions Precedent for which it is responsible, as noted in clause 3.1 (other than paragraph (d)), have been satisfied or waived in accordance with clause 3, a draft of which must be provided to MyState by 5.00pm on the Business Day prior to the Second Court Date; and
 - (ii) any certificate provided to it by MyState under clause 5.3(i);
- (o) **(lodge copy of Court order)** lodge with ASIC an office copy of the Court order approving the Scheme as approved by the Auswide Shareholders at the Scheme Meeting in accordance with section 411(10) of the Corporations Act as soon as is reasonably practicable and in any event no later than on the day after that office copy is received (or any later date agreed in writing by MyState);
- (p) **(Register)** close the Register as at the Record Date to determine the identity of Scheme Participants and their entitlements to Scheme Consideration;
- (q) **(instruments of transfer)** subject to MyState and Bidder satisfying their respective obligations under clause 4.4, on the Implementation Date:
 - (i) execute a proper instrument of transfer for the purposes of section 1071B of the Corporations Act and effect the transfer of Auswide Shares to Bidder in accordance with the Scheme; and
 - (ii) register all transfers of Auswide Shares held by Scheme Participants to Bidder;
- (r) **(Suspension of trading)** apply to ASX to suspend trading in Auswide Shares with effect from the close of trading on the Effective Date;
- (s) **(Class Ruling)** promptly prepare and lodge its application for the Class Ruling, and provide any assistance and information reasonably requested by the Australian Taxation Office to enable it to prepare the Class Ruling as soon as practicable;
- (t) **(promote Scheme)** participate in efforts reasonably requested by MyState to promote the merits of the Scheme, including, where reasonably requested by MyState, meeting with key Auswide Shareholders, and at the reasonable request of MyState, providing MyState with such information and assistance that MyState reasonably requests to enable it to promote the merits of the Scheme, in each case in accordance with the recommendation of the Auswide Board and subject to applicable law and ASIC policy;

- (u) **(proxy information)** upon request of MyState before the commencement of the Scheme Meeting, inform MyState of the total number of proxy votes:
- (i) in favour of the Scheme;
 - (ii) against the Scheme;
 - (iii) to abstain on the Share Scheme Resolution; and
 - (iv) allowing the proxy to vote at the proxy's discretion;
- (v) **(proxy solicitation)** in consultation with MyState, undertake reasonable shareholder engagement and proxy solicitation actions so as to promote the merits of the Scheme and encourage Auswide Shareholders to vote on the Scheme in accordance with the recommendation of the Auswide Board and subject to applicable law and ASIC policy;
- (w) **(listing)** take all reasonable steps to maintain Auswide's listing on ASX, notwithstanding any suspension of the quotation of Auswide Shares, up to and including the Implementation Date, including making appropriate applications to ASX and ASIC; and
- (x) **(other steps)** do all other things necessary to give effect to the Scheme and the orders of the Court approving the Scheme.

5.3 MyState and Bidder obligations

MyState or Bidder, as applicable, must take all reasonable steps to assist Auswide to implement the Scheme on a basis consistent with this document and as soon as reasonably practicable, in accordance with the Indicative Timetable, and in particular must:

- (a) **(MyState Information)** prepare and promptly provide to Auswide for inclusion in the Scheme Booklet the MyState Information (in accordance with all applicable laws, including the Corporations Act, Corporations Regulations, ASIC Regulatory Guide 60 and the Listing Rules) and consent to the inclusion of that information in the Scheme Booklet;
- (b) **(assistance with Scheme Booklet and Court documents):**
 - (i) promptly provide any assistance or information reasonably requested by Auswide or its Representatives in connection with the preparation of the Scheme Booklet (including any supplementary disclosure to Auswide Shareholders) and any documents required to be filed with the Court in respect of the Scheme and consider in good faith any timely and reasonable comments on, or suggested amendments to, those documents from Auswide prior to filing those documents with the Court or providing a final version to Auswide for filing with the Court; and
 - (ii) promptly review the drafts of the Scheme Booklet (including any updated or supplementary Scheme Booklet) prepared by Auswide and provide comments on those drafts in a timely and reasonable manner and in good faith;
- (c) **(further MyState Information)** promptly provide to Auswide any further or new MyState Information as may arise after the Scheme Booklet has been sent to Auswide Shareholders and until the date of the Scheme Meeting as may be necessary to ensure that the MyState Information contained in the Scheme Booklet is not, having regard to applicable

disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission) and to ensure that there would be no breach of clause 13.2(h) if it applied as at the date on which further or new MyState Information arose;

- (d) **(MyState Outgoing Directors)** not less than two Business Days prior to Auswide's lodgement of the Regulator's Draft under clause 5.2(g), notify Auswide of the persons that will cease to be a Director of MyState on the Scheme becoming Effective (which must be the minimum number of persons required to give effect to the announced composition of the MyState Board from the Scheme becoming Effective, in accordance with the announcements made by the parties on the date of this document);
- (e) **(Independent Expert information)** provide any assistance or information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report;
- (f) **(Consent)** provide a consent in such form as Auswide reasonably requires in relation to the inclusion of the MyState Information in the Scheme Booklet;
- (g) **(representation)** procure that it is represented by counsel at the Court hearings convened for the purposes of section 411(4)(b) of the Corporations Act, at which, through its counsel, Bidder or MyState, as applicable, must undertake (if requested by the Court) to do all things and take all steps within its power as may be necessary in order to ensure the fulfilment of its obligations under this document and the Scheme;
- (h) **(Deed Poll)** no later than 2 Business Days prior to the First Court Date, sign and deliver the Deed Poll;
- (i) **(Board discretion and resolution)** procure that:
 - (i) the directors of MyState do not exercise their discretion to (and do not):
 - (A) refuse any issue or allotment or any transfer of MyState Shares under clause 25.1(a) or (b) of the constitution of MyState; or
 - (B) cause a notice in writing to be given under clause 25.4 of the constitution of MyState,in connection with any share issue, allotment or transfer contemplated by this document or the Scheme; and
 - (ii) prior to the First Court Date, the MyState Board pass a resolution in respect of the matters in clause 5.3(i)(i) and make a copy of such resolution available to Auswide (and if necessary the Court) before 8.00am on the First Court Date;
- (h) **(Conditions Precedent certificate)** before 8.00am on the Second Court Date, provide to Auswide for provision to the Court at the hearing on that date a certificate signed by one of its directors and made in accordance with a resolution of its board confirming (in respect of matters within MyState's knowledge) whether or not the Conditions Precedent for which MyState or Bidder is responsible, as noted in clause 3.1 (other than paragraph (d)), have been satisfied or waived in accordance with clause 3, a draft of which must be provided to Auswide by 5.00pm on the Business Day prior to the Second Court Date;

- For personal use only
- (i) **(promote Scheme)** participate in efforts and provide information reasonably requested by Auswide to promote the merits of the Scheme, including, where reasonably requested by Auswide, meeting with key Auswide Shareholders, and at the reasonable request of Auswide, providing Auswide with such information and assistance that Auswide reasonably requests to enable it to promote the merits of the Scheme, subject to applicable law and ASIC policy;
 - (j) **(listing and NOHC authorisation)** take all reasonable steps to maintain MyState's listing on ASX and its authorisation as a NOHC on the same basis as at the date of this document;
 - (k) **(Share transfer)** if the Scheme becomes Effective, Bidder must accept a transfer of the Auswide Shares as contemplated by clause 4.4(a); and
 - (l) **(Scheme Consideration)** if the Scheme becomes Effective, provide or procure the provision of the Scheme Consideration in the manner and amount contemplated by clause 4.4(b) and the terms of the Scheme.

5.4 Scheme Booklet responsibility statement

The responsibility statement to appear in the Scheme Booklet, in a form to be agreed by the parties, will contain words to the effect of:

- (a) Auswide has prepared, and is responsible for, the content of the Scheme Booklet other than, to the maximum extent permitted by law, the MyState Information, the Independent Expert's Report or any other report or letter issued to Auswide by a third party and that Bidder, MyState and their directors and officers do not assume any responsibility for the accuracy or completeness of the sections of the Scheme Booklet that Auswide has prepared and has responsibility for; and
- (b) MyState has prepared, and is responsible for, the MyState Information in the Scheme Booklet (and no other part of the Scheme Booklet including the Auswide Information, the Independent Expert's Report or any other report or letter issued to Auswide by a third party) and that Auswide and its directors and officers do not assume any responsibility for the accuracy or completeness of the sections of the Scheme Booklet that MyState has prepared and has responsibility for.

5.5 Disagreement on content of Scheme Booklet

If MyState and Auswide disagree on the form or content of the Scheme Booklet, they must consult in good faith to try to settle an agreed form of the Scheme Booklet. If complete agreement is not reached after reasonable consultation, then:

- (a) if the disagreement relates to the form or content of the MyState Information contained in the Scheme Booklet, Auswide will make any amendments as MyState reasonably requires; and
- (b) if the disagreement relates to the form or content of any other part of the Scheme Booklet, the Auswide Board will, acting in good faith, decide the final form or content of the disputed part of the Scheme Booklet.

5.6 Verification

Each party must undertake appropriate verification processes for the information supplied by that party in the Scheme Booklet.

5.7 Conduct of Court proceeding

Auswide on the one hand and Bidder and MyState on the other hand are entitled to separate representation at all Court proceedings relating to the Scheme. This document does not give Auswide, Bidder or MyState any right or power to give undertakings to the Court for or on behalf of another party without that party's written consent. Auswide, Bidder and MyState must, within their own capacities and acting reasonably and in good faith, give all undertakings to the Court in all Court proceedings which are reasonably required to obtain Court approval and confirmation of the Scheme as contemplated by this document.

5.8 Appeal process

If the Court refuses to make orders convening the Scheme Meeting or approving the Scheme, MyState and Bidder, and Auswide, must appeal the Court's decision to the fullest extent possible except to the extent that:

- (a) the parties agree otherwise; or
- (b) an independent senior counsel of the New South Wales bar advises that, in their opinion, an appeal would have no reasonable prospect of success before the End Date,

in which case either party may terminate this document in accordance with clause 14.1(f)(iii).

5.9 Transaction Implementation Committee

The parties must establish a Transaction Implementation Committee as soon as reasonably practical after the date of this document. The role of the Transaction Implementation Committee will be to act as a forum for consultation and planning by the parties to implement the Scheme.

5.10 No partnership or joint venture

Subject to this document, nothing in this clause requires either party to act at the direction of the other. The business of each party will continue to operate independently from the other until the Implementation Date. The parties agree that nothing in this document constitutes the relationship of a partnership or a joint venture between the parties.

5.11 Timetable

- (a) Subject to clause 5.11(b):
 - (i) Each party must keep the other informed about their progress against the Indicative Timetable and notify each other if it believes that any of the timeframes in the Indicative Timetable are or may not be achievable.
 - (ii) To the extent that any of the timeframes or deadlines set out in the Indicative Timetable are reasonably likely to become delayed or not achievable, the parties must promptly consult in good faith to agree to any necessary extension to the Indicative Timetable to ensure the relevant steps are completed as soon as reasonably practicable.
- (b) Failure by a party to meet any timeframe or deadline set out in the Indicative Timetable will not constitute a breach of clause 5.11(a) to the extent that such failure is due to circumstances and matters outside the party's control or due to a party taking or omitting to take any action in

response to an Auswide Competing Transaction or MyState Competing Transaction (as applicable) as permitted or contemplated by this document.

6 Profile of the Merged Group

6.1 Board of directors of MyState

- (a) On the Implementation Date, but subject to the Scheme Consideration having been provided to the Scheme Participants and, if applicable, receipt by MyState of signed consents to act, MyState must:
- (i) cause the appointment of each MyState Incoming Director to the MyState Board;
 - (ii) procure that each of the MyState Outgoing Directors retire from the MyState Board; and
 - (iii) cause the appointment of Sandra Birkenleigh as Chair of the MyState Board and as Chair of Bidder;

in each case, in accordance with MyState's constitution or Bidder's constitution (as applicable), the Corporations Act and the Listing Rules.

- (b) The parties agree that, on the Implementation Date:
- (i) Brett Morgan will remain as the Chief Executive Officer and Managing Director of MyState; and
 - (ii) Warren Lee will remain as the Chair of the board of TPT Wealth Limited.
- (c) MyState agrees to procure that, at the first general meeting of MyState Shareholders following the Implementation Date, each of the directors of MyState recommend voting in favour of the resolutions in connection with the election of each of the MyState Incoming Directors.

6.2 Appointment/retirement of Auswide Directors

- (a) On the Implementation Date, but subject to the Scheme Consideration having been provided to the Scheme Participants and receipt by Auswide of signed consents to act, Auswide must:
- (i) cause the appointment of each Auswide Incoming Director to the Auswide Board; and
 - (ii) procure that each of the Auswide Outgoing Directors retire from the Auswide Board,

in each case, in accordance with Auswide's constitution, the Corporations Act and the Listing Rules.

- (b) The parties agree that on the Implementation Date, Sandra Birkenleigh will remain as the Chair of the Auswide Board.

6.3 Senior management

The parties agree that:

- (a) the senior management of the Merged Group will be determined by the Board of MyState following implementation of the Scheme;
- (b) any decision made by the Board of MyState pursuant to clause 6.3(a) must have regard to the recommendations of the Chief Executive Officer and Managing Director of MyState as at the date of this document (Mr Brett Morgan); and
- (c) any recommendation provided by the Chief Executive Officer and Managing Director of MyState as at the date of this document pursuant to clause 6.3(b) must be based on the skills, experience, knowledge and expertise required to manage the Merged Group and its assets.

6.4 Branding and operation

The parties agree that the Merged Group intends to:

- (a) maintain existing support centre locations in Hobart and Bundaberg for a period post implementation of the Scheme; and
- (b) consider in good faith the:
 - (i) brand to be used by the Merged Group; and
 - (ii) location of the corporate head office of the Merged Group.

7 Auswide Board recommendation

7.1 Recommendation

Auswide must use its best endeavours to procure that none of its directors withdraws, or changes their recommendation in favour of the Scheme, unless:

- (a) the Independent Expert concludes that the Scheme is not in the best interests of Auswide Shareholders, or adversely changes its previously given opinion that the Scheme is in the best interests of Auswide Shareholders; or
- (b) there is a Superior Proposal and the Auswide Board determines in good faith having received expert advice in writing from its legal advisors (who must be reputable advisers experienced in transactions of this nature) that they must do so because of their fiduciary or statutory duties to Auswide Shareholders.

7.2 Withdrawal or change of recommendation

- (a) Without limitation and subject to clause 10, if an Auswide Director proposes to withdraw or change its recommendation in accordance with clause 7.1, Auswide must notify MyState in writing as promptly as reasonably practicable.
- (b) If the Court or ASIC makes an Abstain Direction:
 - (i) references to the recommendation of the Auswide Board in this document are to be read as if the Auswide Board comprised only those Auswide Directors who are not Abstaining Directors; and

- (ii) any withdrawal or change in a recommendation of an Abstaining Director pursuant to an Abstain Direction does not constitute a withdrawal, change or modification in the recommendation of the Auswide Board for the purpose of this document and for the avoidance of doubt, will not trigger payment of the Break Free to MyState in accordance with clause 11.2.

8 Directors and employees

8.1 Release of Auswide and Auswide Directors and officers

Subject to the Corporations Act, each of MyState and Bidder releases its rights, and agrees with Auswide that it will not make a claim, against any Auswide Indemnified Party (other than Auswide and its Related Bodies Corporate) as at the date of this document and from time to time in connection with:

- (a) any breach of any representations and warranties of Auswide or any other member of Auswide Group in this document; or
- (b) any disclosures containing any statement which is false or misleading whether in content or by omission,

whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where the Auswide Indemnified Party has not acted in good faith or has engaged in wilful misconduct or fraud. Nothing in this clause 8.1 limits Bidder's or MyState's rights to terminate this document under clause 14.1.

8.2 Benefit for Auswide Indemnified Parties

Auswide receives and holds the benefit of clause 8.1 to the extent it relates to each Auswide Indemnified Party on behalf of each of them.

8.3 Directors' and officers' insurance

Subject to the Scheme becoming Effective and subject to the Corporations Act, MyState undertakes in favour of Auswide and each other person who is a Auswide Indemnified Party that it will:

- (a) for a period of 7 years from the Implementation Date, ensure that the constitutions of Auswide and each other member of the Auswide Group continue to contain the rules that are contained in those constitutions at the date of this document that provide for each company to indemnify each of its directors and officers against any liability incurred by that person in his or her capacity as a director or officer of the company to any person other than a member of the MyState Group; and
- (b) procure that Auswide and each other member of the Auswide Group complies with any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time and without limiting the foregoing, ensure that the directors' and officers' run-off insurance cover for those directors and officers is maintained, subject to clause 8.4, for a period of 7 years from the retirement date of each director and officer on commercially reasonable terms.

8.4 Period of undertaking

The undertakings contained in clause 8.3 are given until the earlier of the end of the relevant period specified in that clause or the relevant member of the Auswide Group ceasing to be part of the MyState Group.

8.5 Benefit of undertaking for Auswide Group

Auswide acknowledges that it receives and holds the benefit of clause 8.3 to the extent it relates to each director and officer of a member of the Auswide Group on behalf of each of them.

8.6 Release of MyState Indemnified Parties

Subject to the Corporations Act, Auswide releases its rights, and agrees with MyState and Bidder that it will not make a claim, against any MyState Indemnified Party (other than Bidder, MyState and their Related Bodies Corporate) as at the date of this document and from time to time in connection with:

- (a) any breach of any representations and warranties of MyState or Bidder or any other member of MyState Group in this document; or
- (b) any disclosures containing any statement which is false or misleading whether in content or by omission,

whether current or future, known or unknown, arising at common law, in equity, under statute or otherwise, except where the MyState Indemnified Party has not acted in good faith or has engaged in wilful misconduct or fraud. Nothing in this clause 8.6 limits Auswide's rights to terminate this document under clause 14.1.

8.7 Benefit for MyState Indemnified Parties

MyState receives and holds the benefit of this clause 8.6 to the extent it relates to each MyState Indemnified Party on behalf of each of them.

9 Conduct of business

9.1 Auswide conduct of business

- (a) From the date of this document up to and including the Implementation Date, Auswide must, and must cause each member of the Auswide Group to, conduct its business in the ordinary course and in substantially the same manner as previously conducted.
- (b) Without limiting the generality of clause 9.1(a), Auswide must:
 - (i) comply and ensure that each member of the Auswide Group complies, in all material respects, with all laws and regulations applicable to them (including the Listing Rules) and all orders of Regulatory Authorities having jurisdiction over them;
 - (ii) comply and ensure that each member of the Auswide Group complies with all Material Contracts and material leases to which it is party;
 - (iii) comply and ensure that each member of the Auswide Group complies with, in all material respects, all Regulatory Approvals necessary for each member of the Auswide Group to conduct

the business of the Auswide Group as conducted in the 12 months prior to the date of this agreement;

- (iv) use, and procure that each Auswide Group member uses, reasonable endeavours to:
 - (A) maintain its businesses and assets in the ordinary course and consistent with past practice, and preserve the goodwill of its business; and
 - (B) maintain and preserve its relationships with Regulatory Authorities, customers, suppliers, landlords, referrers, brokers and others having material business dealings with the Auswide Group.
- (c) Nothing in this clause 9.1 restricts the ability of Auswide to take any action which:
 - (i) is expressly provided for in a Selfco Transaction Document or required for the Selfco Raise (whether individually or together);
 - (ii) is expressly required or permitted by this document, the Scheme, or otherwise required by law;
 - (iii) has been Disclosed to MyState or Bidder; or
 - (iv) has been agreed to in writing by MyState or Bidder (such agreement not to be unreasonably withheld, delayed or conditioned).

9.2 MyState conduct of business

- (a) From the date of this document up to and including the Implementation Date, MyState must, and must cause each member of the MyState Group to, conduct its business in the ordinary course and in substantially the same manner as previously conducted.
- (b) Without limiting the generality of clause 9.2(a), MyState must:
 - (i) comply and ensure that each member of the MyState Group complies, in all material respects, with all laws and regulations applicable to them (including the Listing Rules) and all orders of Regulatory Authorities having jurisdiction over them;
 - (ii) comply and ensure that each member of the MyState Group complies with all Material Contracts and material leases to which it is party;
 - (iii) comply and ensure that each member of the MyState Group complies with, in all material respects, all Regulatory Approvals necessary for each member of the MyState Group to conduct the business of the MyState Group as conducted in the 12 months prior to the date of this agreement;
 - (iv) use, and procure that each MyState Group member uses, reasonable endeavours to:
 - (A) maintain its businesses and assets in the ordinary course and consistent with past practice, and preserve the goodwill of its business; and

- (B) maintain and preserve its relationships with Regulatory Authorities, customers, suppliers, landlords, referrers, brokers and others having material business dealings with the MyState Group.
- (c) Nothing in this clause 9.2 restricts the ability of Bidder or MyState to take any action which:
 - (i) is expressly required or permitted by this document, the Scheme, or otherwise required by law;
 - (ii) has been Disclosed to Auswide; or
 - (iii) has been agreed to in writing by Auswide (such agreement not to be unreasonably withheld, delayed or conditioned).

9.3 Access to people and information

Between the date of this document and the Implementation Date, the parties must, and must procure their Subsidiaries to, provide one another and their respective officers and advisers with reasonable access to their officers and advisers and documents, records, and other information (subject to any existing confidentiality obligations owed to third parties, applicable privacy laws and the Information Sharing Protocols) which the other party reasonably requests for the purposes of:

- (a) preparation of financial statements (including for the Merged Group) for inclusion in the Scheme Booklet, review or verification of those financial statements or any investigating accountant's report (and any updates or supplements);
- (b) implementation of the Scheme;
- (c) to the extent permitted by law, each party obtaining an understanding of the operations of the other party's business, financial position, prospects and affairs, including in relation to Selfco;
- (d) keeping each party informed of material developments relating to the other party and its group, including in relation to Selfco; and
- (e) applying for all relevant Regulatory Approvals.

9.4 Change of control provisions

- (a) As soon as practicable after the date of this document, Auswide and MyState must seek to identify any change of control or unilateral termination rights in Material Contracts or material leases to which Auswide or another Auswide Group member is party which may be triggered by or exercised in response to the implementation of the Scheme.
- (b) In respect of those Material Contracts or leases identified in clause 9.4(a):
 - (i) the parties will agree a proposed course of action and then Auswide will initiate contact (with joint discussions to follow if required), with the relevant counterparties and request that they provide any consents, waivers or confirmations required or appropriate;

- (ii) Auswide must use reasonable endeavours to obtain such consents, waivers or confirmations before the Second Court Date, including by promptly providing any information reasonably required by the relevant counterparties; and
- (c) MyState and Bidder must cooperate with, and provide all reasonable assistance to, Auswide to obtain such consents, waivers or confirmations, including by promptly providing any information reasonably required by the relevant counterparties and making its Representatives available, where necessary, to meet with the relevant counterparties.
- (d) For the purposes of this document, nothing in this clause 9.4 limits a party's obligations in relation to the Condition set out in clause 3.1(j).

10 Exclusivity

10.1 Termination of Mutual Exclusivity Deed

The parties acknowledge and agree that the Mutual Exclusivity Deed is hereby terminated with effect from the date of this document.

10.2 No existing discussions

Each of Auswide and MyState represent and warrant to each other that, other than the discussions with the other party in respect of the Scheme, it is not currently in negotiations or discussions in respect of any Competing Transaction with any person.

10.3 No-shop

During the Exclusivity Period, each party must ensure that neither it nor any of its Representatives directly or indirectly:

- (a) solicits, invites, encourages or initiates any enquiries, negotiations or discussions (including by the provision of non-public information to any third party); or
- (b) communicates any intention to do any of these things,

with a view to obtaining any offer, proposal or expression of interest from any person in relation to a Competing Transaction or which could reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Transaction.

10.4 No-talk and no due diligence

Subject to clause 10.5 and 10.6, during the Exclusivity Period, each party must ensure that neither it nor any of its Representatives, directly or indirectly:

- (a) negotiates or enters into, or participates in negotiations or discussions with any other person regarding, a Competing Transaction or any agreement, understanding or arrangement that may be reasonably expected to lead to a Competing Transaction, even if that person's Competing Transaction was not directly or indirectly solicited, invited, encouraged or initiated by that party or any of its Representatives or the person has publicly announced the Competing Transaction;

- (b) in relation to a Competing Transaction, enables any third party to undertake due diligence investigations on any member of the Auswide Group or the MyState Group (as applicable) or their respective businesses or operations or makes available to any third party, or permits any third party to receive, any non-public information relating to any member of the Auswide Group or the MyState Group (as applicable) or their businesses or operations; or
- (c) communicates to any person an intention to do anything referred to in the preceding paragraphs of this clause 10.4

10.5 Exceptions

Clause 10.4 does not apply to the extent that it restricts a party or a party's board of directors from taking or refusing to take any action with respect to a genuine Competing Transaction (which was not solicited, invited, encouraged or initiated by that party in contravention of clause 10.3) provided that the Auswide Board or MyState Board (as applicable) has determined, in good faith after:

- (a) consultation with its financial advisors, that the Competing Transaction is, or could reasonably be considered to become, a Superior Proposal; and
- (b) having received written advice from its external legal advisers, that failing to respond to the Competing Transaction would be reasonably likely to constitute a breach of the fiduciary or statutory obligations of the directors of each MyState or Bidder (as applicable), or Auswide (as applicable).

10.6 Further exceptions

Nothing in this document prevents Auswide or MyState from:

- (a) continuing to make normal presentations to, and to respond to enquiries from, brokers, portfolio investors and analysts in the ordinary course in relation to the Scheme or its business generally; or
- (b) fulfilling its continuous disclosure requirements.

10.7 Notice of approach

- (a) Subject to any obligation of confidentiality during the Exclusivity Period, Auswide or MyState (as applicable) must promptly and in any event within 24 hours inform the other party if it, or any of its Related Bodies Corporate or Representatives, receives any direct, indirect, solicited or unsolicited approach with respect to any Competing Transaction (in writing or otherwise) and must disclose to the other party the fact that such an approach has been made and the general nature of the approach.
- (b) A notification given under clause 10.7(a) must include the identity of the relevant person making or proposing the relevant actual, proposed or potential Competing Transaction, together with all material terms and conditions of the actual, proposed or potential Competing Transaction (to the extent known).

10.8 Matching right

Without limiting clauses 10.3 and 10.4, during the Exclusivity Period, both Auswide and MyState:

- (a) must not enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which a third party, the company (being Auswide or MyState (as applicable)) or both proposes or propose to undertake or give effect to an actual, proposed or potential Competing Transaction; and
- (b) must use their best endeavours to procure that none of its directors change their recommendation in favour of the Scheme to publicly recommend an actual, proposed or potential Competing Transaction (or recommend against the Scheme),

unless:

- (c) the Auswide Board or MyState Board (as applicable) acting in good faith and in order to satisfy what the Auswide Board or MyState Board (as applicable) considers to be its statutory or fiduciary duties (having received written advice from its external legal advisers), determines that the Competing Transaction would be or would be likely to be an actual, proposed or potential Superior Proposal;
- (d) it has provided the other party with the material terms and conditions of the actual, proposed or potential Competing Transaction, including price and the identity of the third party making the actual, proposed or potential Competing Transaction;
- (e) it has given the other party at least 5 Business Days after the date of the provision of the information referred to in clause 10.8(d) to provide a matching or superior proposal to the terms of the actual, proposed or potential Competing Transaction; and
- (f) the other party has not announced a matching or superior proposal to the terms of the actual, proposed or potential Competing Transaction by the expiry of the 5 Business Day period referred to in clause 10.8(e).

10.9 Counterproposal

If either party proposes to the other, or announces amendments to the Scheme or a new proposal that constitutes a matching or superior proposal to the terms of the actual, proposed or potential Competing Transaction (**Counterproposal**) by the expiry of the 5 Business Day period referred to in clause 10.8(e), the other party must procure that the Auswide Board or MyState Board (as applicable) considers the Counterproposal and if the Auswide Board or MyState Board (as applicable), acting reasonably and in good faith, determines that the Counterproposal would provide an equivalent or superior outcome for Auswide Shareholders or MyState Shareholders (as applicable) as a whole compared with the Competing Transaction, taking into account all of the terms and conditions of the Counterproposal, then:

- (a) both parties must use their best endeavours to agree the amendments to this document and, if applicable, the Scheme and Deed Poll or to enter into new documents that are reasonably necessary to reflect the Counterproposal and to implement the Counterproposal, in each case as soon as reasonably practicable, and procure that each director of Auswide continues to recommend the Scheme (as revised), subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Auswide Shareholders and there being no Superior Proposal; and
- (b) both parties must use their best endeavours to procure that each of the directors of Auswide or MyState (as applicable) recommend the Scheme (as modified by the Counterproposal) to Auswide Shareholders and

MyState Shareholders (as applicable), subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Auswide Shareholders and there being no Superior Proposal.

10.10 Legal advice

Both parties acknowledge that they have received legal advice on this document and the operation of this clause.

11 Break Fee

11.1 Background

This clause has been agreed in circumstances where:

- (a) Bidder, MyState and Auswide believe that the Scheme will provide significant benefits to Bidder, MyState, Auswide and their respective shareholders, and Bidder, MyState and Auswide acknowledge that, if they enter into this document and the Scheme is subsequently not implemented, Bidder and MyState will incur significant costs, including those set out in clause 11.5;
- (b) Bidder and MyState requested that provision be made for the payment of the Break Fee, without which Bidder and MyState would not have entered into this document;
- (c) each of the Bidder Board, MyState Board and Auswide Board believe that it is appropriate for the parties to agree to the payment referred to in this clause to secure Bidder and MyState's participation in the Scheme; and
- (d) each party has received legal advice on this document and the operation of this clause.

11.2 Payment by Auswide to MyState

Auswide agrees to pay the Break Fee to MyState without deduction, withholding or set off, if:

- (a) **(Auswide Competing Transaction)** on or before the Effective Date an Auswide Competing Transaction is announced and within 12 months of that announcement the third party who announced or made the Competing Transaction (or any of its Associates) completes the Auswide Competing Transaction;
- (b) **(Auswide Superior Proposal)** Auswide validly terminates this document under clause 14.1(d);
- (c) **(change of recommendation)** if the Scheme does not proceed and any Auswide Director fails to recommend the Scheme or withdraws their recommendation, adversely changes or qualifies their recommendation or otherwise makes a public statement indicating that he or she no longer supports the Scheme or that Auswide Shareholders should not vote in favour of the Scheme, except where the change of recommendation or statement is made after the Independent Expert concludes that in the opinion of the Independent Expert the Scheme is not in the best interests of Auswide Shareholders (other than where a Competing Transaction has been proposed or announced before the report is issued which the Independent Expert may reasonably regard to be on more favourable terms than the transaction contemplated by this

document) or by virtue of that director ceasing to be a director at the annual general meeting of Auswide or otherwise;

- (d) **(material breach)** Bidder or MyState validly terminates this document in accordance with clause 14.1(c); or
- (e) **(termination)** Bidder or MyState validly terminates this document in accordance with clause 14.1(f)(i) or clause 14.1(f)(ii) and the failure to satisfy the relevant Condition Precedent resulted from a breach of this document by Auswide or a deliberate act or omission of Auswide.

11.3 No amount payable if Scheme becomes Effective

Notwithstanding the occurrence of any event in clause 11.2, if:

- (a) Bidder or MyState's decision to terminate this document occurs wholly or substantially as result of an Auswide Material Adverse Effect; or
- (b) the Scheme becomes Effective,
then
- (c) no amount is payable by Auswide under clause 11.2; and
- (d) if any amount has already been paid under clause 11.2 it must be refunded by MyState.

11.4 Timing of payment

- (a) A demand by MyState for payment of the Break Fee under clause 11.2 must:
 - (i) be in writing;
 - (ii) be made after the occurrence of the event in that clause giving rise to the right to payment;
 - (iii) state the circumstances which give rise to the demand; and
 - (iv) nominate an account in the name of MyState into which Auswide must pay the Break Fee.
- (b) Auswide must pay the Break Fee to MyState under clause 11.2 within 5 Business Days of receipt by Auswide of a valid demand for payment from Bidder under clause 11.4(a), without set-off, deduction or withholding.

The demand may only be made after the occurrence of an event referred to in clause 11.2.

11.5 Nature of payment

The Break Fee is an amount to compensate Bidder and MyState for:

- (a) advisory costs (excluding success fees);
- (b) costs of management and directors' time in connection with the negotiation and implementation of the Scheme;
- (c) out-of-pocket expenses;

- (d) the distraction of Bidder's and MyState's management from conducting Bidder's business and MyState's business as usual caused by pursuing the Scheme;
- (e) reasonable opportunity costs incurred by MyState and Bidder in pursuing the Scheme or in not pursuing alternative acquisitions or strategic initiatives which MyState or Bidder could have developed to further its business and objectives; and
- (f) damage to MyState's and Bidder's reputation associated with a failed transaction and the implications of that damage to MyState's and Bidder's businesses.

The parties agree that the costs incurred are of a nature that they cannot be accurately quantified and that a genuine pre-estimate of the costs would equal or exceed the amount payable under clause 11.2.

11.6 Reduction in amount payable

The Break Fee is reduced by an amount equal to any amount which is recovered by MyState or Bidder (in aggregate) as a result of a claim against Auswide pursuant to any other remedies available to MyState or Bidder under this document including pursuant to clause 13.1.

11.7 Auswide's limitation of liability

- (a) Notwithstanding any other provision of this document but subject to clause 11.8:
 - (i) the maximum aggregate liability of Auswide to MyState and Bidder (in aggregate) under or in connection with this document including in respect of any breach or repudiation of this document will be an amount equal to the Break Fee; and
 - (ii) the payment by Auswide of the Break Fee represents the sole, maximum and absolute amount of liability of Auswide and the Auswide Indemnified Parties in aggregate under or in connection with this document and no further damages, fees, expenses or reimbursements of any kind will be payable by Auswide or the Auswide Indemnified Parties under or in connection with this document.
- (b) Nothing in this clause affects MyState's or Bidder's right to specific performance, injunctive relief or any other remedies which would otherwise be available in equity or law as a remedy for a breach or threatened breach of this document by any party.

11.8 Compliance with law

If it is finally determined following the exhaustion of all reasonable avenues of appeal to the Takeovers Panel or a Court that all or any part of the amount payable under clause 11.2:

- (a) is unlawful or would if performed be, unlawful;
- (b) involves a breach of the duties of the Auswide Board; or
- (c) constitutes unacceptable circumstances within the meaning of the Corporations Act,

then Auswide's obligation to pay the applicable amount or part of the amount payable under clause 11.2 does not apply and if MyState has received any relevant part of the payment due under clause 11.2 it must refund it within 5 Business Days of the final determination.

12 Reverse Break Fee

12.1 Background

This clause has been agreed in circumstances where:

- (a) MyState, Bidder and Auswide believe that the Scheme will provide significant benefits to Bidder, MyState, Auswide and their respective shareholders, and Bidder, MyState and Auswide acknowledge that, if they enter into this document and the Scheme is subsequently not implemented, Auswide and Auswide Shareholders will incur significant costs including those set out in clause 12.5;
- (b) Auswide requested that provision be made for the payment of the Reverse Break Fee, without which Auswide would not have entered into this document;
- (c) each of the Bidder Board, MyState Board and Auswide Board believe that it is appropriate for the parties to agree to the payment referred to in this clause to secure Auswide's participation in the Scheme; and
- (d) each party has received legal advice on this document and the operation of this clause.

12.2 Payment by MyState to Auswide

MyState agrees to pay the Reverse Break Fee to Auswide without deduction, withholding or set off if:

- (a) **(MyState Competing Transaction)** on or before the Effective Date a MyState Competing Transaction is announced and within 12 months of that announcement the third party who announced or made the Competing Transaction (or any of its Associates) completes the MyState Competing Transaction;
- (b) **(MyState Superior Proposal)** MyState validly terminates this document under clause 14.1(e);
- (c) **(material breach)** Auswide validly terminates this document in accordance with clause 14.1(c);
- (d) **(termination)** Auswide validly terminates this document in accordance with clause 14.1(f)(i) or clause 14.1(f)(ii) and the failure to satisfy the relevant Condition Precedent resulted from a breach of this document by MyState or Bidder or a deliberate act or omission of MyState or Bidder; or
- (e) **(failure to pay Scheme Consideration)** Bidder does not procure the provision by MyState of (or MyState does not issue) the aggregate Scheme Consideration in accordance with the terms and conditions of this document, the Scheme and the Deed Poll.

12.3 No amount payable if Scheme becomes Effective

Notwithstanding the occurrence of any event in clause 12.2, if:

- (a) Auswide's decision to terminate this document occurs wholly or substantially as result of a MyState Material Adverse Effect; or
 - (b) the Scheme becomes Effective,
- then:
- (c) no amount is payable by MyState under clause 12.2; and
 - (d) if any amount has already been paid under clause 12.2 it must be refunded by Auswide.

12.4 Timing of payment

- (a) A demand by Auswide for payment of the Reverse Break Fee under clause 12.2 must:
 - (i) be in writing;
 - (ii) be made after the occurrence of the event in that clause giving rise to the right to payment;
 - (iii) state the circumstances which give rise to the demand; and
 - (iv) nominate an account in the name of Auswide into which MyState must pay the Reverse Break Fee.
- (b) MyState must pay the Reverse Break Fee to Auswide under clause 12.4 within 5 Business Days of receipt by MyState of a valid demand for payment from Auswide under clause 12.4(a) without set-off, deduction or withholding.

The demand may only be made after the occurrence of an event referred to in clause 12.2.

12.5 Nature of payment

The Reverse Break Fee is an amount to compensate Auswide for:

- (a) advisory costs (excluding success fees);
- (b) costs of management and directors' time in connection with the negotiation and implementation of the Scheme;
- (c) out-of-pocket expenses;
- (d) the distraction of Auswide's management from conducting Auswide's business as usual caused by pursuing the Scheme;
- (e) reasonable opportunity costs incurred by Auswide in pursuing the Scheme or in not pursuing strategic initiatives which Auswide could have developed to further its business and objectives; and
- (f) damage to Auswide's reputation associated with a failed transaction and the implications of that damage to Auswide's business.

The parties agree that the costs incurred are of a nature that they cannot be accurately quantified and that a genuine pre-estimate of the costs would equal or exceed the amount payable under clause 12.2.

12.6 Reduction in amount payable

The Reverse Break Fee is reduced by an amount equal to any amount which is recovered by Auswide (in aggregate) as a result of a claim against Bidder or MyState pursuant to any other remedies available to Auswide under this document including pursuant to clause 13.2.

12.7 MyState's limitation of liability

- (a) Notwithstanding any other provision of this document but subject to clauses 4.2 and 12.8:
 - (i) the maximum aggregate liability of Bidder and MyState (in aggregate) to Auswide under or in connection with this document including in respect of any breach or repudiation of this document will be an amount equal to the Reverse Break Fee; and
 - (ii) the payment by MyState of the Reverse Break Fee represents the sole, maximum and absolute amount of liability of MyState, Bidder and the MyState Indemnified Parties in aggregate under or in connection with this document and no further damages, fees, expenses or reimbursements of any kind will be payable by Bidder, MyState or the MyState Indemnified Parties under or in connection with this document.
- (b) Nothing in this clause limits Bidder's or MyState's liability under the Deed Poll.
- (c) Nothing in this clause affects Auswide's or a Scheme Participant's right to specific performance or injunctive relief or any other remedies which would otherwise be available in equity or law as a remedy for a breach or threatened breach of this document by any party.

12.8 Compliance with law

If it is finally determined following the exhaustion of all reasonable avenues of appeal to the Takeovers Panel or a Court that all or any part of the amount payable under clause 12.2:

- (a) is unlawful or would if performed be, unlawful;
- (b) involves a breach of the duties of the MyState Board; or
- (c) constitutes unacceptable circumstances within the meaning of the Corporations Act,

then MyState's obligation to pay the applicable amount or part of the amount payable under clause 12.2 does not apply and if Auswide has received any relevant part of the payment due under clause 12.2 it must refund it within 5 Business Days of the final determination.

13 Representations and warranties

13.1 Auswide's representations and warranties

Auswide represents and warrants to MyState (on its own behalf and separately as trustee or nominee for each of the MyState Group members and directors of MyState Group members) that each of the following statements is true and correct in all material respects as at the date of this document and as at 5.00pm on the Business Day immediately prior to the Second Court Date:

- (a) **(status)** it has been incorporated or formed in accordance with the laws of its place of incorporation;
- (b) **(power)** it has power to enter into this document, to comply with its obligations under it and exercise its rights under it;
- (c) **(no contravention)** the entry by it into, its compliance with its obligations and the exercise of its rights under, this document do not and will not conflict with:
 - (i) its constituent documents or cause a limitation on its powers or the powers of its directors to be exceeded; or
 - (ii) any law binding on or applicable to it or its assets;
- (d) **(authorisations)** it has in full force and effect each authorisation necessary for it to enter into this document, to comply with its obligations and exercise its rights under it, and to allow them to be enforced;
- (e) **(validity of obligations)** its obligations under this document are valid and binding and are enforceable against it in accordance with its terms;
- (f) **(interest)** any company, partnership, trust, joint venture or other enterprise in which Auswide or another Auswide Group member owns or has a material interest in, is as Disclosed by Auswide to Bidder prior to entry into this document;
- (g) **(reliance)** the Auswide Information contained in the Scheme Booklet will be prepared and included in good faith and on the understanding that Bidder and MyState and their respective directors will rely on that information for the purposes of determining to proceed with the Scheme and considering and approving the MyState Information in the Scheme Booklet before it is despatched, approving the entry into the Deed Poll and implementing the Scheme in accordance with the Corporations Act;
- (h) **(Auswide Information)** the Auswide Information provided in accordance with this document and included in the Scheme Booklet as at the date of the Scheme Booklet will not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the Corporations Act, the Listing Rules and all relevant regulatory guides and other guidelines and requirements of ASIC;
- (i) **(continuous disclosure)** Auswide has complied with, and is not in breach of, its continuous disclosure obligations under the Listing Rules and is not relying on the carve-out in Listing Rule 3.1A to withhold any information from disclosure (other than the transaction contemplated by this document);

- (j) **(information)** all the information Disclosed to MyState or Bidder in connection with this document, whether under due diligence or not, has been prepared and provided in good faith;
- (k) **(compliance)** the Auswide Group has complied in all material respects with all Australian and foreign laws and regulations applicable to them and orders of Australian and foreign Regulatory Authorities having jurisdiction over it and has all material Regulatory Approvals, licenses, permits and franchises necessary for it to conduct its respective businesses as presently being conducted and has complied in all material respects with such material Regulatory Approvals, licenses, permits and franchises;
- (l) **(termination payments and incentives)** all termination payments and incentives provided for in any contract of employment with any director, officer or key management personnel of Auswide is lawful, permitted under, or consistent with, each of the Corporations Act, the Listing Rules, BEAR and FAR (as applicable);
- (m) **(opinions)** any statement of opinion or belief contained in the Auswide Information is honestly held and there are reasonable grounds for holding the opinion or belief;
- (n) **(no default)** neither Auswide nor any of its Subsidiaries nor any of its Securitisation Vehicles is in default under any document, agreement or instrument binding on it or its assets nor has anything occurred which is or would with the giving of notice or lapse of time constitute an event of default, stop funding/origination event, amortisation event, title perfection event, termination event or similar event, or give another party a termination right or right to accelerate any right or obligation, under the document or agreement with that effect;
- (o) **(provision of information to Independent Expert)** all information provided by or on behalf of Auswide to the Independent Expert to enable the Independent Expert's Report to be prepared and completed will be provided in good faith and on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's Report;
- (p) **(securities)** Auswide's issued securities as at the date of this document are:
 - (i) 46,630,859 Auswide Shares; and
 - (ii) 139,513 Auswide Performance Rights,

and other than as Disclosed or expressly set out in the Selfco Transaction Documents or required for the Selfco Raise (whether individually or together), it has not issued or agreed to issue any other securities or instruments (including any options, warrants, performance rights or other instruments) which are still outstanding, and which may convert into Auswide Shares and no person has any right to call for the issue or grant of any Auswide Shares or other securities or instruments (including any options, warrants, performance rights or other instruments);
- (q) **(no litigation)** there are no existing material actions, suits, arbitrations or legal or administrative proceedings against any member of the Auswide Group and, as far as Auswide is aware, there are no:

- (i) existing, pending or threatened material claims, disputes or demands; or
 - (ii) pending or threatened material actions, suits, arbitrations or legal or administrative proceedings,
- in each case against any member of the Auswide Group; and
- (iii) no member of the Auswide Group is the specific focus of any material formal investigation by a Regulatory Authority (not being an industrywide investigation); and
- (r) **(Insolvency event)** no member of the Auswide Group is Insolvent.

13.2 MyState's representations and warranties

MyState (and Bidder, in respect of the statements in paragraphs (a) to (e) only) represents and warrants to Auswide (on its own behalf and separately as trustee or nominee for each of the Auswide Group members and directors of Auswide Group members) that each of the following statements is true and correct in all material respects as at the date of this document and as at 5.00pm on the Business Day immediately prior to the Second Court Date:

- (a) **(status)** it has been incorporated or formed in accordance with the laws of its place of incorporation;
- (b) **(power)** it has power to enter into this document, to comply with its obligations under it and exercise its rights under it;
- (c) **(no contravention)** the entry by it into, its compliance with its obligations and the exercise of its rights under, this document do not and will not conflict with:
 - (i) its constituent documents or cause a limitation on its powers or the powers of its directors to be exceeded; or
 - (ii) any law binding on or applicable to it or its assets;
- (d) **(authorisations)** it has in full force and effect each authorisation necessary for it to enter into this document, to comply with its obligations and exercise its rights under it, and to allow them to be enforced;
- (e) **(validity of obligations)** its obligations under this document are valid and binding and are enforceable against it in accordance with its terms;
- (f) **(interest)** any company, partnership, trust, joint venture or other enterprise in which MyState or another MyState Group member owns or has a material interest in, is as Disclosed by Bidder to Auswide prior to entry into this document;
- (g) **(reliance)** the MyState Information provided to Auswide for inclusion in the Scheme Booklet will be prepared and provided in good faith and on the understanding that Auswide and its directors will rely on that information for the purposes of determining to proceed with the Scheme, preparing and approving the Scheme Booklet before it is despatched and proposing and implementing the Scheme in accordance with the Corporations Act;
- (h) **(MyState Information)** the MyState Information provided in accordance with this document and included in the Scheme Booklet, as at the date of the Scheme Booklet, will not contain any material statement which is

misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the Corporations Act, the Listing Rules and all relevant regulatory guides and other guidelines and requirements of ASIC;

- (i) **(continuous disclosure)** MyState has complied with, and is not in breach of, its continuous disclosure obligations under the Listing Rules and is not relying on the carve-out in Listing Rule 3.1A to withhold any information from disclosure (other than the transaction contemplated by this document);
- (j) **(information)** all the information Disclosed to Auswide in connection with this document, whether under due diligence or not, has been prepared and provided in good faith;
- (k) **(compliance)** the MyState Group has complied in all material respects with all Australian and foreign laws and regulations applicable to them and orders of Australian and foreign Regulatory Authorities having jurisdiction over it and has all material Regulatory Approvals, licenses, permits and franchises necessary for it to conduct its respective businesses as presently being conducted and has complied in all material respects with such material Regulatory Approvals, licenses, permits and franchises;
- (l) **(termination payments and incentives)** all termination payments and incentives provided for in any contract of employment with any director, officer or key management personnel of MyState is lawful, permitted under, or consistent with, each of the Corporations Act, the Listing Rules, BEAR and FAR (as applicable);
- (m) **(opinions)** any statement of opinion or belief contained in the MyState Information is honestly held and there are reasonable grounds for holding the opinion or belief;
- (n) **(no default)** neither MyState nor any of its Subsidiaries is in default under any document, agreement or instrument binding on it or its assets nor has anything occurred which is or would with the giving of notice or lapse of time constitute an event of default, prepayment event, termination event or similar event, or give another party a termination right or right to accelerate any right or obligation, under the document or agreement with that effect;
- (o) **(no dealing with Auswide Shareholders)** neither it nor any of its associates has any agreement, arrangement or understanding with any Auswide Shareholder under which that Auswide Shareholder (or an associate of that Auswide Shareholder) would be entitled to receive consideration for their Auswide Shares different from the Scheme Consideration or under which the Auswide Shareholder agrees to vote in favour of the Scheme or against any Competing Transaction;
- (p) **(provision of information to Independent Expert)** all information provided by or on behalf of MyState or Bidder to the Independent Expert to enable the Independent Expert's Report to be prepared and completed will be provided in good faith and on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's Report;
- (q) **(securities)** MyState's issued securities as at the date of this document are:

(i) 110,600,801 MyState Shares; and

(ii) 1,095,134 performance rights,

and other than as Disclosed it has not issued or agreed to issue any other securities or instruments (including any options, warrants, performance rights or other instruments) which are still outstanding, and which may convert into MyState Shares and no person has any right to call for the issue or grant of any MyState Shares or other securities or instruments (including any options, warrants, performance rights or other instruments);

(r) **(New MyState Shares)** the New MyState Shares will at the time of their issue be duly authorised and validly issued, and fully paid, free of all Encumbrances and third party rights and will rank equally with all other MyState Shares then on issue; and

(s) **(no litigation)** there are no existing material actions, suits, arbitrations or legal or administrative proceedings against any member of the MyState Group and, as far as MyState is aware there are no:

(i) existing, pending or threatened material claims, disputes or demands, or

(ii) pending or threatened material actions, suits, arbitrations or legal or administrative proceedings,

in each case against any member of the MyState Group; and

(iii) no member of the MyState Group is the specific focus of any material formal investigation by a Regulatory Authority (not being an industrywide investigation); and

(t) **(Insolvency event)** no member of the MyState Group is Insolvent.

14 Termination

14.1 Termination events

This document may be terminated:

(a) **(End Date)** by any of Bidder, MyState or Auswide, if the Scheme has not become Effective on or before the End Date;

(b) **(lack of support)** by any of Bidder, MyState or Auswide at any time prior to 8.00am on the Second Court Date, if any Auswide Director publicly changes or withdraws their recommendation to the Scheme Participants that they vote in favour of the resolution to approve the Scheme, including any adverse modification to its recommendation, or otherwise makes a public statement indicating that it no longer supports the Scheme, except where the change is made by virtue of that director ceasing to be a director at the annual general meeting of Auswide or otherwise;

(c) **(material breach)** by any of Bidder, MyState or Auswide at any time prior to 8.00am on the Second Court Date, if another party is in material breach of a term of this document (including any representation and warranty not being true and correct), taken in the context of the Scheme as a whole, provided that Bidder, MyState or Auswide (as the case may be) has, if practicable, given notice to the other party or parties as

applicable, setting out the relevant circumstances and the relevant circumstances continue to exist 5 Business Days (or any shorter period ending at 8.00am on the Second Court Date) after the time notice is given;

- (d) **(Auswide Superior Proposal)** by Auswide at any time prior to 8.00am on the Second Court Date if the Auswide Board determines that an Auswide Competing Transaction that was not solicited, invited, encouraged or initiated in breach of clause 10.3 is an Auswide Superior Proposal;
- (e) **(MyState Superior Proposal)** by MyState at any time prior to 8.00am on the Second Court Date if the MyState Board determines that a MyState Competing Transaction that was not solicited, invited, encouraged or initiated in breach of clause 10.3 is a MyState Superior Proposal;
- (f) **(consultation or appeal failure)** in accordance with and pursuant to:
 - (i) clause 3.7(a)(i);
 - (ii) clause 3.7(a)(ii); or
 - (iii) clause 5.8; or
- (g) **(agreement)** if agreed to in writing by Bidder, MyState and Auswide.

14.2 Termination

Where a party has a right to terminate this document, that right for all purposes will be validly exercised if the party delivers a notice in writing to the other parties stating that it terminates this document.

14.3 Effect of Termination

If this document is terminated by a party, or if this document otherwise terminates in accordance with its terms, then in either case all further obligations of the parties under this document, other than the obligations set out in this clause and in clauses 5.8, 11.2, 12.2 and 15 to 20 (inclusive) will immediately cease to be of further force and effect without further liability of a party to the other parties, provided that nothing in this clause releases any party from liability for any pre-termination breach of this document.

14.4 Damages

In addition to the right of termination under clause 14.1 where there is no appropriate remedy for the breach in this document (other than termination), the non-defaulting party or parties is entitled to damages for Losses suffered by it and expenses incurred by it as a result of the breach of the terms of this document, subject to clauses 11.6 and 11.7 and 12.6 and 12.7 (as applicable).

15 Public announcements

15.1 Public announcement of Scheme

Immediately after signing this document, Auswide and MyState must issue public announcements of the proposed Scheme in the forms agreed between them.

15.2 Required disclosure

- (a) Where a party is required by any applicable law or any Listing Rule to make any announcement or make any disclosure in connection with the Scheme, it must use all reasonable endeavours, to the extent possible, to consult with the other party prior to making the relevant disclosure.
- (b) Nothing in this document, including clause 15.2 and 15.3:
 - (i) prevents, limits or restricts in any way Auswide or the Auswide Board making, and the form and content of, any announcement in relation to an Auswide Competing Transaction; or
 - (ii) prevents, limits or restricts in any way MyState or the MyState Board making, and the form and content of, any announcement in relation to a MyState Competing Transaction; or
 - (iii) requires a party to do anything if doing so would lead to a party breaching an applicable law or the Listing Rules.

15.3 Other announcements

Subject to clauses 15.1 and 15.2, no party may make any public announcement or disclosure in connection with the Scheme (including disclosure to a Regulatory Authority) other than in a form approved by each party (acting reasonably). Each party will use all reasonable endeavours to provide that approval as soon as practicable.

16 Confidentiality Agreement

Each party acknowledges and agrees that it continues to be bound by the Confidentiality Agreement in respect of all information received by it from the other party on, before or after the date of this document.

17 Notices and other communications

17.1 Form

Unless this document expressly states otherwise, all notices, demands, certificates, consents, approvals, waivers and other communications in connection with this document must be in writing and signed by the sender (if an individual) or an Authorised Officer of the sender.

All communications (other than email communications) must also be marked for the attention of the person referred to in the Details (or, if the recipient has notified otherwise, then marked for attention in the way last notified).

Email communications must state the first and last name of the sender and are taken to be signed by the named sender.

17.2 Delivery

Communications must be:

- (a) left at the address referred to in the Details;
- (b) sent by regular ordinary post (airmail if appropriate) to the address referred to in the Details; or

- (c) sent by email to the address referred to in the Details.

If the intended recipient has notified changed contact details, then communications must be sent to the changed contact details.

17.3 When effective

Communications take effect from the time they are received or taken to be received under clause 17.4 (whichever happens first) unless a later time is specified in the communication.

17.4 When taken to be received

Communications are taken to be received:

- (a) if sent by post, 6 Business Days after posting (or 10 days after posting if sent from one country to another);
- (b) if sent by email:
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) 4 hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that delivery failed,

whichever happens first.

17.5 Receipt outside business hours

Despite anything else in this clause 17, if communications are received or taken to be received under clause 17.4 after 5.00pm on a Business Day or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day. For the purposes of this clause, the place in the definition of Business Day is taken to be the place specified in the Details as the address of the recipient and the time of receipt is the time in that place.

18 GST

18.1 Definitions and interpretation

For the purposes of this clause:

- (a) “**GST Act**” means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth);
- (b) a term which has a defined meaning in the GST Act has the same meaning when used in this clause, unless the contrary intention appears; and
- (c) each periodic or progressive component of a supply to which section 156-5(1) of the GST Act applies will be treated as if it were a separate supply.

18.2 GST exclusive

Unless this document expressly states otherwise, all consideration to be provided under this document is exclusive of GST.

18.3 Payment of GST

- (a) If GST is payable, or notionally payable, on a supply in connection with this document, the party providing the consideration for the supply agrees to pay to the supplier an additional amount equal to the amount of GST payable on that supply (**GST Amount**).
- (b) Subject to the prior receipt of a tax invoice, the GST Amount is payable at the same time as the GST-exclusive consideration for the supply, or the first part of the GST-exclusive consideration for the supply (as the case may be), is payable or is to be provided.
- (c) This clause does not apply to the extent that the consideration for the supply is expressly stated to include GST or the supply is subject to a reverse-charge.

18.4 Adjustment events

If an adjustment event arises for a supply made in connection with this document, the GST Amount must be recalculated to reflect that adjustment. The supplier or the recipient (as the case may be) agrees to make any payments necessary to reflect the adjustment and the supplier agrees to issue an adjustment note.

18.5 Reimbursements

Any payment, indemnity, reimbursement or similar obligation that is required to be made in connection with this document which is calculated by reference to an amount paid by another party must be reduced by the amount of any input tax credits which the other party (or the representative member of any GST group of which the other party is a member) is entitled to. If the reduced payment is consideration for a taxable supply, clause 18.3 will apply to the reduced payment.

19 Costs

19.1 Costs

The parties agree to pay their own Costs in connection with the preparation, negotiation, execution and completion of this document, except for amounts covered by clause 19.2.

19.2 Stamp duty and registration fees

Bidder:

- (a) agrees to pay or reimburse all stamp duty and any related fines, penalties and interest payable in respect of this agreement or the Scheme or the steps to be taken under this agreement or the Scheme; and
- (b) indemnifies Auswide against, and agrees to reimburse and compensate it for, any liability in respect of stamp duty under clause 19.2(a).

Bidder agrees to pay amounts due to Auswide under this clause within 3 Business Days of demand from Bidder.

20 General

20.1 Variation and waiver

A provision of this document, or right, power or remedy created under it, may not be varied or waived except in writing signed by the party to be bound.

20.2 Consents, approvals or waivers

By giving any approval, consent or waiver a party does not give any representation or warranty as to any circumstance in connection with the subject matter of the consent, approval or waiver.

20.3 Discretion in exercising rights

Unless this document expressly states otherwise, a party may exercise a right, power or remedy or give or refuse its consent, approval or a waiver in connection with this document in its absolute discretion (including by imposing conditions).

20.4 Partial exercising of rights

Unless this document expressly states otherwise, if a party does not exercise a right, power or remedy in connection with this document fully or at a given time, they may still exercise it later.

20.5 Conflict of interest

Each party may exercise their rights, powers and remedies in connection with this document even if this involves a conflict of duty or they have a personal interest in their exercise.

20.6 Remedies cumulative

The rights, powers and remedies in connection with this document are in addition to other rights, powers and remedies given by law independently of this document.

20.7 Indemnities and reimbursement obligations

Any indemnity, reimbursement or similar obligation in this document:

- (a) is a continuing obligation despite the satisfaction of any payment or other obligation in connection with this document, any settlement or any other thing;
- (b) is independent of any other obligations under this document; and
- (c) continues after this document, or any obligation arising under it, ends.

It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity in connection with this document.

20.8 Inconsistent law

To the extent the law permits, this document prevails to the extent it is inconsistent with any law.

20.9 Supervening law

Any present or future law which operates to vary the obligations of a party in connection with this document with the result that another party's rights, powers or remedies are adversely affected (including, by way of delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

20.10 Counterparts

This document may consist of a number of copies, each signed by one or more parties to it. If so, the signed copies are treated as making up a single document and the date on which the last counterpart is executed is the date of the document.

20.11 Entire agreement

This document constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

20.12 Further steps

Each party agrees to do anything (such as obtaining consents, signing and producing documents, producing receipts and getting documents completed and signed), which the other party asks and considers necessary or expedient to:

- (a) bind the party and any other person intended to be bound under this document; or
- (b) show whether the party is complying with this document.

20.13 No liability for loss

Unless this document expressly states otherwise, a party is not liable for any loss, liability or costs arising in connection with the exercise or attempted exercise of, failure to exercise, or delay in exercising, a right, power or remedy in connection with this document.

20.14 Severability

If the whole or any part of a provision of this document is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remainder of this document has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This clause has no effect if the severance alters the basic nature of this document or is contrary to public policy.

20.15 Rules of construction

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this document or any part of it.

20.16 Assignment

A party may not assign or otherwise deal with its rights under this document or allow any interest in them to arise or be varied without the consent of each other party.

20.17 Enforceability

For the purpose of this document:

- (a) Auswide is taken to be acting as agent and trustee on behalf of and for the benefit of all Auswide Indemnified Parties; and
- (b) MyState is taken to be acting as agent and trustee on behalf of and for the benefit of all MyState Indemnified Parties,

and all of those persons are to this extent taken to be parties to this document.

20.18 No representation or reliance

Each party acknowledges that:

- (a) no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this document, except for representations or inducements expressly set out in this document;
- (b) it does not enter into this document in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this document; and
- (c) clauses 20.18(a) and 20.18(b) above do not prejudice any rights a party may have in relation to information which had been filed by the other party with ASIC or ASX.

21 Governing law

21.1 Governing law and jurisdiction

The law in force in the place specified in the Details governs this document. The parties submit to the non-exclusive jurisdiction of the courts of that place.

21.2 Serving documents

Without preventing any other method of service, any document in an action in connection with this document may be served on a party by being delivered or left at that party's address for service of notices under clause 17.2.

EXECUTED as an agreement.

Scheme Implementation Agreement

Schedule 1 Indicative Timetable (clause 5.1)

Event	Target timeframe
Lodge relevant regulatory approval applications (eg FSSA, Banking Act, etc.)	August 2024
Lodge Scheme Booklet with ASIC and ASX	September 2024
Application in respect of the Court hearing to be held on the First Court Date, filed with the Court, served on ASIC	October 2024
First Court Date	October 2024
Printing and despatch of Scheme Booklet	October 2024
Scheme Meeting held	November / December 2024
Second Court Date	December 2024
Lodge Court order with ASIC (Effective Date)	December 2024
Record Date	December 2024
Implementation Date	December 2024

Scheme Implementation Agreement

Signing page

DATED: _____

EXECUTED by **AUSWIDE BANK LTD**
in accordance with section 127(1) of
the *Corporations Act 2001* (Cth):

.....
Signature of director

.....
Signature of director/company
secretary

.....
Name of director (block letters)

.....
Name of director/company secretary
(block letters)

EXECUTED by MYSTATE LIMITED in
accordance with section 127(1) of the
Corporations Act 2001 (Cth):

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company
secretary

.....
Name of director/company secretary
(block letters)

**EXECUTED by MYSTATE BANK
LIMITED** in accordance with section
127(1) of the *Corporations Act 2001*
(Cth):

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company
secretary

.....
Name of director/company secretary
(block letters)

Scheme Implementation Agreement

Annexure A Scheme of Arrangement

For personal use only

Scheme of Arrangement

Dated

Auswide Bank Ltd (ACN 087 652 060) (**Auswide**)

Scheme Participants

King & Wood Mallesons
Level 33
Waterfront Place
1 Eagle Street
Brisbane QLD 4000
Australia
T +61 7 3244 8000
F +61 7 3244 8999
DX 311 Brisbane
www.kwm.com

Scheme of Arrangement

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Scheme of Arrangement

Details

Parties		
Auswide	Name	Auswide Bank Ltd
	ACN	087 652 060
	Formed in	Australia
	Address	Level 3, 16-20 Barolin Street, Bundaberg, Queensland 4670
	Email	dsnell@auswidebank.com.au
	Attention	Managing Director & Chief Executive Officer
Scheme Participants	Each person registered as a holder of fully paid ordinary shares in Auswide as at the Record Date.	
Governing law	New South Wales	

General terms

1 Definitions and interpretation

1.1 Definitions

Unless the contrary intention appears, these meanings apply:

ACCC means the Australian Competition and Consumer Commission.

Adjusted Scheme Consideration has the meaning given to that term in clause 6.2.

APRA means the Australian Prudential Regulation Authority.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the market operated by it, as the context requires.

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

Auswide Shareholder means each person registered in the Register as a holder of Auswide Shares.

Bidder means MyState Bank Limited ACN 067 729 195.

Business Day means a business day as defined in the Listing Rules.

CHESS means the clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited.

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

Court means the Supreme Court of New South Wales, or such other court of competent jurisdiction under the Corporations Act agreed in writing by MyState, Bidder and Auswide.

Deed Poll means the deed poll executed by MyState and Bidder substantially in the form of Annexure B of the Scheme Implementation Agreement or as otherwise agreed by MyState and Auswide under which each of MyState and Bidder covenant in favour of each Scheme Participant to perform the actions attributed to it under this Scheme and the Scheme Implementation Agreement, including the issue of the Scheme Consideration by MyState.

Details means the section of this agreement headed "Details".

Effective, when used in relation to this Scheme, means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this Scheme, but in any event at no time before an office copy of the order of the Court is lodged with ASIC.

Effective Date means the date on which the Scheme becomes Effective.

Encumbrance means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any "security interest" as defined in sections 12(1) or (2) of the PPSA, or any agreement to create any of them or allow them to exist.

End Date means the "End Date" determined in accordance with the Scheme Implementation Agreement, or such other date as is agreed by MyState and Auswide in writing.

Implementation Date means the fifth Business Day following the Record Date or such other date after the Record Date as is agreed by MyState and Auswide in writing.

Ineligible Foreign Shareholder means an Auswide Shareholder:

- (a) who is (or is acting on behalf of) a citizen or resident of a jurisdiction other than residents of Australia and its external territories, New Zealand, Singapore, Hong Kong, the United Kingdom, the United Arab Emirates and the United States of America; or
- (b) whose address shown in the Register is a place outside Australia and its external territories, New Zealand, Singapore, Hong Kong, the United Kingdom the United Arab Emirates and the United States of America, or who is acting on behalf of such a person,

unless MyState determines that:

- (c) it is lawful and not unduly onerous or unduly impracticable to issue that Auswide Shareholder with the New MyState Shares on implementation of the Scheme; and
- (d) it is lawful for that Auswide Shareholder to participate in the Scheme by the law of the relevant place outside Australia and its external territories, New Zealand, Singapore, Hong Kong, the United Kingdom, the United Arab Emirates and the United States of America.

Listing Rules means the Listing Rules of ASX and any other applicable rules of ASX modified to the extent of any express written waiver by ASX.

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

MyState Share Register means the register of shareholders maintained by MyState in accordance with section 168(1) of the Corporations Act.

New MyState Share means a MyState Share issued or to be issued as Scheme Consideration in accordance with this Scheme.

Nominee Holder means a Scheme Participant who holds one or more parcels of Scheme Shares as trustee or nominee for, or otherwise on account of, another person.

PPSA means the *Personal Property Securities Act 2009 (Cth)*.

Proceeds means, in respect of the Relevant MyState Shares sold in accordance with clause 6.5, the proceeds of such sale (net of any applicable brokerage, stamp duty and other selling costs, taxes and charges).

Record Date means 5.00pm on the second Business Day following the Effective Date or such other time and date after the Effective Date as Auswide and MyState agree in writing.

Register means the register of members of Auswide maintained by or on behalf of Auswide in accordance with section 168(1) of the Corporations Act.

Registered Address means, in relation to an Auswide Shareholder, the address shown in the Register as at the Record Date.

Regulatory Authority includes:

- (a) ASX, ACCC, ASIC, APRA and the Takeovers Panel;
- (b) a government or governmental, semi-governmental or judicial entity or authority;
- (c) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- (d) any regulatory organisation established under statute.

Relevant MyState Shares has the meaning given in clause 6.5(b)(i).

Sale Agent means an entity or person appointed by MyState in accordance with clause 4.7 of the Scheme Implementation Agreement to sell New MyState Shares that are to be issued under clause 6.5(b)(i) of this Scheme.

Scheme means this scheme of arrangement between Auswide and Scheme Participants under which all of the Scheme Shares will be transferred to Bidder under Part 5.1 of the Corporations Act in consideration for the Scheme Consideration, subject to any amendments or conditions made or required by the Court pursuant to section 411(6) of the Corporations Act to the extent they are approved in writing by Auswide and MyState in accordance with this Scheme.

Scheme Consideration means the consideration to be issued by MyState for the transfer of Auswide Shares held by a Scheme Participant to Bidder, being, in respect of each Auswide Share, 1.112 New MyState Shares, unless the Scheme Consideration is adjusted in accordance with clause 6.2, in which case all references to the 'Scheme Consideration' in this document are to be read as references to the 'Adjusted Scheme Consideration'.

Scheme Implementation Agreement means the Scheme Implementation Agreement dated 19 August 2024 between Auswide, MyState and Bidder under which, amongst other things, Auswide has agreed to propose this Scheme to Auswide Shareholders, and each of MyState, Bidder and Auswide has agreed to take certain steps to give effect to this Scheme.

Scheme Meeting means the meeting of Auswide Shareholders, ordered by the Court to be convened pursuant to section 411(1) of the Corporations Act at which Auswide Shareholders will vote on this Scheme.

Scheme Participant means each person who is an Auswide Shareholder on the Record Date.

Scheme Share means an Auswide Share held by a Scheme Participant as at the Record Date and, for the avoidance of doubt, includes any Auswide Shares issued on or before the Record Date.

Second Court Date means the first day on which an application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme is heard or scheduled to be heard or, if the application is adjourned for any reason means the date on which the adjourned application is heard or scheduled to be heard.

Selfco Raise has the meaning given to that term in the Scheme Implementation Agreement.

Selfco Transaction has the meaning given to that term in the Scheme Implementation Agreement.

Selfco Transaction Documents has the meaning given to that term in the Scheme Implementation Agreement.

Selfco Transaction End Date has the meaning given to that term in the Scheme Implementation Agreement.

Settlement Rules means the ASX Settlement Operating Rules, being the official operating rules of the settlement facility provided by ASX Settlement Pty Ltd.

Share Scheme Transfer means, for each Scheme Participant, a duly completed and executed proper instrument of transfer of the Scheme Shares held by that Scheme Participant for the purposes of section 1071B of the Corporations Act, which may be a master transfer of all Scheme Shares.

Share Splitting means the splitting by an Auswide Shareholder of Auswide Shares into 2 or more parcels of Auswide Shares but which does not result in any change in beneficial ownership of the Auswide Shares.

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

Unclaimed Money Act means the *Unclaimed Money Act 1995* (NSW).

1.2 General interpretation

Headings and labels used for definitions are for convenience only and do not affect interpretation. Unless the contrary intention appears, in this document:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a document includes any agreement or other legally enforceable arrangement created by it (whether the document is in the form of an agreement, deed or otherwise);
- (c) a reference to a document also includes any variation, replacement or novation of it;
- (d) the meaning of general words is not limited by specific examples introduced by “including”, “for example”, “such as” or similar expressions;
- (e) a reference to “**person**” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority or any other entity or organisation;
- (f) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (g) a reference to a time of day is a reference to Sydney time;
- (h) a reference to dollars, \$ or A\$ is a reference to the currency of Australia;
- (i) a reference to “**law**” includes common law, principles of equity and legislation (including regulations);

- (j) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;
- (k) a reference to “**regulations**” includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations);
- (l) a reference to a group of persons is a reference to any 2 or more of them jointly and to each of them individually;
- (m) a reference to any thing (including an amount) is a reference to the whole and each part of it;
- (n) a period of time starting from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (o) if a party must do something under this document on or by a given day and it is done after 5.00pm on that day, it is taken to be done on the next day; and
- (p) if the day on which a party must do something under this document is not a Business Day, the party must do it on the next Business Day.

2 Preliminary

2.1 Auswide

Auswide is:

- (a) a public company limited by shares;
- (b) incorporated in Australia and registered in Queensland; and
- (c) admitted to the official list of the ASX and Auswide Shares are officially quoted for trading on the stock market conducted by ASX.

As at the date of this document, Auswide’s issued securities are:

- (a) Auswide Shares: 46,630,859; and
- (b) performance rights: 139,513.

2.2 MyState

MyState is:

- (a) a public company limited by shares; and
- (b) incorporated in Australia and registered in Tasmania; and
- (c) admitted to the official list of the ASX and MyState Shares are quoted for trading on the ASX.

2.3 Bidder

Bidder is:

- (a) a public company limited by shares; and

- (b) incorporated in Australia and registered in Tasmania.

2.4 Implementation

Auswide, MyState and Bidder have agreed, by executing the Scheme Implementation Agreement, to implement the terms of this Scheme.

2.5 If Scheme becomes Effective

If this Scheme becomes Effective:

- (a) in consideration of the transfer of each Scheme Share to Bidder, Bidder will procure MyState to issue the Scheme Consideration to each Scheme Participant in accordance with the terms of this Scheme and the Deed Poll;
- (b) all Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, will be transferred to Bidder on the Implementation Date; and
- (c) Auswide will enter the name of Bidder in the Register in respect of all of the Scheme Shares transferred to Bidder in accordance with the terms of this Scheme.

2.6 Deed Poll

This Scheme attributes actions to MyState and Bidder but does not itself impose an obligation on them to perform those actions. MyState and Bidder have executed the Deed Poll for the purpose of covenanting in favour of the Scheme Participants to perform (or procure the performance of) the obligations attributable to MyState and Bidder as contemplated by this Scheme, including to provide the Scheme Consideration to the Scheme Participants.

3 Conditions precedent

3.1 Conditions precedent to Scheme

This Scheme is conditional on, and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) as at 8.00am on the Second Court Date, neither the Scheme Implementation Agreement nor the Deed Poll having been terminated in accordance with their terms;
- (b) all of the conditions precedent in clause 3.1 of the Scheme Implementation Agreement having been satisfied or waived (other than the conditions precedent in clause 3.1(d) relating to Court approval of this Scheme), in accordance with the terms of the Scheme Implementation Agreement;
- (c) the Court having approved this Scheme, with or without any modification or condition, by making orders pursuant to section 411(4)(b) of the Corporations Act, and if applicable, Auswide, Bidder and MyState having accepted in writing any modification or condition made or required by the Court under section 411(6) of the Corporations Act;
- (d) subject to clause 12.1, such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to this

Scheme and agreed to by Bidder, MyState and Auswide having been satisfied or waived; and

- (e) the coming into effect, pursuant to section 411(10) of the Corporations Act, of the orders of the Court made under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act) in relation to this Scheme on or before the End Date (or any later date Auswide and MyState agree in writing in accordance with the Scheme Implementation Agreement).

3.2 Conditions precedent and operation of clause 5

The satisfaction of each condition of clause 3.1 of this Scheme is a condition precedent to the operation of clause 5 of this Scheme (other than, in respect of clause 5.1 of this Scheme only, the condition precedent in clause 3.1(e) of this Scheme).

3.3 Certificate in relation to conditions precedent

- (a) Before 8.00am on the Second Court Date, each of Auswide and MyState must provide to the Court a certificate in a form agreed by Auswide and MyState signed by a duly authorised representative (or such other evidence as the Court requests) confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent set out in clause 3.1(a) and clause 3.1(b) of this Scheme) have been satisfied or waived.
- (b) The certificate referred to in this clause 3.3(a) will constitute conclusive evidence (in the absence of manifest error) of whether the conditions precedent referred to in clause 3.1(a) and clause 3.1(b) of this Scheme have been satisfied or waived as at 8.00am on the Second Court Date.

4 Scheme

4.1 Effective Date

Subject to clause 4.2 this Scheme will come into effect pursuant to section 411(10) of the Corporations Act on and from the Effective Date.

4.2 End Date

- (a) Unless Auswide and MyState otherwise agree in writing this Scheme will lapse and be of no further force or effect if:
 - (i) the Effective Date does not occur on or before the End Date or any later date Auswide and MyState agree in writing in accordance with the Scheme Implementation Agreement; or
 - (ii) the Scheme Implementation Agreement or the Deed Poll is terminated in accordance with their terms before the Scheme becomes Effective.
- (b) Without limiting any rights under the Scheme Implementation Agreement, if the Scheme Implementation Agreement is terminated in accordance with its terms before 8.00am on the Second Court Date, Auswide and MyState are each released from:
 - (i) any further obligation to take steps to implement the Scheme; and

- (ii) any liability with respect to this Scheme.

5 Implementation of Scheme

5.1 Lodgement of Court orders with ASIC

If the conditions precedent set out in clause 3.1 of this Scheme (other than the condition precedent in clause 3.1(e) of this Scheme) are satisfied, Auswide must lodge with ASIC in accordance with section 411(10) of the Corporations Act an office copy of the Court order approving this Scheme as soon as possible, and in any event by no later than 5.00pm on the first Business Day after the day on which the Court approves this Scheme (or any later time agreed in writing by Auswide and MyState).

5.2 Transfer and registration of Auswide Shares

On the Implementation Date, but subject to the provision of the Scheme Consideration for the Scheme Shares in accordance with clauses 6.1 to 6.1(b) of this Scheme:

- (a) the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date, must be transferred to Bidder without the need for any further act by any Scheme Participant (other than acts performed by Auswide as attorney and agent for Scheme Participants under clause 9 of this Scheme) by:
 - (i) Auswide delivering to Bidder a duly completed and executed Share Scheme Transfer executed by Auswide on behalf of the Scheme Participants; and
 - (ii) Bidder duly executing the Share Scheme Transfer and delivering it to Auswide for registration; and
- (b) immediately following receipt of the duly executed Share Scheme Transfer, but subject to the stamping of the Share Scheme Transfer (if required) Auswide must enter, or procure the entry of, the name of Bidder in the Register as the registered holder of all of the Scheme Shares transferred to Bidder in accordance with the terms of this Scheme.

5.3 Entitlement to Scheme Consideration

On the Implementation Date, in consideration for the transfer to Bidder of all of the Scheme Shares, each Scheme Participant will be entitled to receive the Scheme Consideration in respect of each of their Scheme Shares in accordance with clause 6 of this Scheme.

5.4 Title and rights in Scheme Shares

- (a) Subject to the provision of the Scheme Consideration for the Scheme Shares as contemplated by clause 6 of this Scheme, on and from the Implementation Date the Bidder will be beneficially entitled to the Scheme Shares transferred to it under the Scheme, pending registration by Auswide of Bidder in the Register as the holder of the Scheme Shares.
- (b) To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to Bidder will, at the time of transfer of them to Bidder, vest in

Bidder free from all Encumbrances and interests of third parties of any kind, whether legal or otherwise, and free from any restrictions on transfer of any kind.

5.5 Scheme Participants' agreements

Under this Scheme, each Scheme Participant (and, to the extent relevant, the Sale Agent) irrevocably:

- (a) agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares, to Bidder in accordance with the terms of this Scheme;
- (b) agrees to the variation, cancellation or modification (if any) of the rights attached to its Auswide Shares constituted by, or resulting from, the Scheme;
- (c) agrees to, on the direction of Bidder, destroy any holding statements or share certificates relating to its Auswide Shares;
- (d) who holds its Auswide Shares in a CHESS Holding (as defined in the Settlement Rules) agrees to the conversion of those Auswide Shares to an Issuer Sponsored Holding (as defined in the Settlement Rules) and irrevocably authorises Auswide to, and consents to Auswide doing, anything necessary, expedient or incidental (whether required by the Settlement Rules or otherwise) to effect or facilitate that conversion;
- (e) if the Scheme Participant is not an Ineligible Foreign Shareholder, agrees to become a member of MyState, to have their name entered in the MyState Share Register, accepts the New MyState Shares issued to them and agrees to be bound by the constitution of MyState;
- (f) agrees and acknowledges that the issue of the New MyState Shares in accordance with clause 6.1(b) or the provision of the Proceeds in accordance with clause 6.5(b)(iii) or clause 6.5(b)(ii)(B), constitutes satisfaction of all their entitlements to Scheme Consideration under this Scheme;
- (g) acknowledges that this Scheme binds Auswide and all Scheme Participants (including those who do not attend the Scheme Meeting or do not vote at the Scheme Meeting or vote against the Scheme at the Scheme Meeting) and to the extent of any inconsistency and to the extent permitted by law, overrides the constitution of Auswide;
- (h) that is an Ineligible Foreign Shareholder, appoints Auswide, and each director and officer of Auswide, as its agent to receive on its behalf any financial services guide (or similar or equivalent document) or other notices (including any updates of those documents that the Sale Agent is required to provide to Ineligible Foreign Shareholders under the Corporations Act or any other applicable law; and
- (i) consents to Auswide and MyState doing all things and executing all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to this Scheme and the transactions contemplated by it.

5.6 Warranty by Scheme Participants

- (a) Each Scheme Participant warrants to Bidder and is deemed to have authorised Auswide to warrant to Bidder as agent and attorney for the Scheme Participant by virtue of this clause 5.6, that:

- (i) all their Scheme Shares (including any rights and entitlements attaching to those shares) transferred to Bidder under the Scheme will, as at the date of the transfer, be fully paid and free from all Encumbrances or any other third party interest or restrictions on transfer of any kind;
 - (ii) they have full power and capacity to sell and to transfer their Scheme Shares (including any rights and entitlements attaching to those shares) to Bidder under the Scheme; and
 - (iii) they have no existing right to be issued any Auswide Shares, or any options, performance rights, securities or other instruments exercisable, or convertible, into Auswide Shares.
- (b) Auswide undertakes that it will provide such warranty in clause 5.6(a) to Bidder as agent and attorney of each Scheme Participant.

5.7 Appointment of MyState as sole proxy

- (a) Subject to the provision of the Scheme Consideration for the Scheme Shares as contemplated by clauses 5.2 and 6.1(b) of this Scheme, on and from the Implementation Date and until Auswide registers Bidder as the holder of all of the Auswide Shares in the Register, each Scheme Participant:
- (i) irrevocably appoints Auswide as attorney and agent (and directs Auswide in such capacity) to appoint Bidder and each of its directors from time to time (jointly and each of them individually) as its sole proxy, and where applicable, corporate representative, to attend shareholders' meetings, exercise the votes attaching to Auswide Shares registered in its name and sign any shareholders resolution, and no Scheme Participant may itself attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to this clause 5.7(a)(i));
 - (ii) must take all other actions in the capacity of the registered holder of Auswide Shares as MyState directs; and
 - (iii) acknowledges and agrees that in exercising the powers referred to in clause 5.7(a)(i), Bidder and any director may act in the best interests of Bidder as the intended registered holder of the Scheme Shares.
- (b) Auswide undertakes in favour of each Scheme Participant that it will appoint Bidder and each of its directors from time to time (jointly and each of them individually) as that Scheme Participant's proxy or, where applicable, corporate representative in accordance with clause 5.7(a)(i) of this Scheme.

6 Scheme Consideration

6.1 Consideration under the Scheme

On the Implementation Date, Bidder and MyState:

- (a) must provide or procure the provision of, in consideration for the transfer to Bidder of the Scheme Shares, the Scheme Consideration to Scheme Participations in accordance with this clause 6 of this Scheme; and

- (b) in satisfaction of Bidder and MyState's obligation to provide or procure the issue of such Scheme Consideration to the Scheme Participants under clause 6.1, issue the Scheme Consideration in accordance with this clause 6.

6.2 Adjustment of Scheme Consideration

If

- (a) the Selfco Raise does not occur (in which case completion of the Selfco Transaction will also not occur), then the parties acknowledge and agree that the Scheme Consideration will be adjusted, such that the consideration to be issued by MyState for the transfer of Auswide Shares held by a Scheme Participant to Bidder will be, in respect of each Auswide Share, 1.120 New MyState Shares; and
- (b) the Selfco Raise is implemented, but the acquisition of Selfco as expressly provided for by the Selfco Transaction Documents does not occur on or before the Selfco Transaction End Date, then the parties acknowledge and agree that the Scheme Consideration will be adjusted, such that the consideration issuable by MyState for the transfer of Auswide Shares held by a Scheme Participant to Bidder will be, in respect of each Auswide Share, 1.112 New MyState Shares,

in either case, being the '**Adjusted Scheme Consideration**'.

6.3 Provision of Scheme Consideration

Subject to the other provisions of this clause 6, the obligations of MyState and Bidder to provide (or procure the provision of) the Scheme Consideration to the Scheme Participants will be satisfied by Bidder procuring that MyState:

- (a) on the Implementation Date:
- (i) issues and allots to each Scheme Participant such number of New MyState Shares to which that Scheme Participant is entitled under this clause 6; and
- (ii) enters into the register of members of MyState the name and address of each Scheme Participant in respect of the aggregate number of New MyState Shares issued to them under clause 6.3(a)(i); and
- (b) as soon as practicable after the Implementation Date and no later than 10 Business Days after the Implementation Date, sends or procures the dispatch to each Scheme Participant, to their Registered Address as at the Record Date, a share certificate or holding statement (or equivalent document) representing the number of New MyState Shares issued to that Scheme Participant pursuant to this Scheme.

6.4 Fractional entitlements and splitting

- (a) Where the calculation of the Scheme Consideration to be issued to a particular Scheme Participant would result in the Scheme Participant becoming entitled to a fractional entitlement to a New MyState Share, the fractional entitlement will be rounded to the nearest whole number of New MyState Shares as follows:
- (i) if the fractional entitlement is less than 0.5, the entitlement will be rounded down; and

- (ii) if the fractional entitlement is equal or more than 0.5, the entitlement will be rounded up.
- (b) A Nominee Holder that:
- (i) makes separate elections in relation to parcels of Scheme Shares it holds as trustee or nominee for, or otherwise on account of, another person, then for the purposes of this clause 6.4, the Scheme Consideration for the Nominee Holder will be calculated and rounded based on each nominated parcel of Scheme Shares held by the Nominee Holder as trustee or nominee for, or otherwise on account of, another person; or
- (ii) does not make separate elections in relation to parcels of Scheme Shares it holds as trustee or nominee for, or otherwise on account of, another person, then for the purposes of this clause 6.4, the Scheme Consideration for the Nominee Holder will be calculated and rounded based on the aggregate number of Scheme Shares held by the Nominee Holder in those parcels as trustee or nominee for, or otherwise on account of, other persons.
- (c) If MyState or Auswide are of the opinion (acting reasonably) that 2 or more Scheme Participants (each of whom holds a number of Auswide Shares which results in rounding in accordance with clause 6.4(a)) have, before the Record Date for the Scheme, been party to Share Splitting in an attempt to obtain unfair advantage by reference to that rounding, if requested by MyState, Auswide must give notice to those Scheme Participants:
- (i) setting out their names and registered addresses as shown in the Register;
- (ii) stating that opinion; and
- (iii) attributing to one of them specifically identified in the notice the Auswide Shares held by all of them.

After the notice has been given, the Scheme Participant specifically identified in the notice as the deemed holder of the specified Auswide Shares will, for the purpose of the provisions of the Scheme, be taken to hold all of those Auswide Shares and each of the other Scheme Participants whose names and registered addresses are set out in the notice will, for the purposes of the provisions of the Scheme, be taken to hold no Auswide Shares. Bidder and MyState, in complying with the provisions of the Scheme relating to it in respect of the Scheme Participant specifically identified in the notice as the deemed holder of all the specified Auswide Shares, will be taken to have satisfied and discharged its obligations to the other Scheme Participants named in the notice under the terms of the Scheme.

6.5 Ineligible Foreign Shareholder Sale Facility

- (a) Bidder is under no obligation under this Scheme to procure or provide, and MyState is under no obligation under this Scheme to procure or issue, and will not issue, any New MyState Shares to any Ineligible Foreign Shareholders as part of the Scheme Consideration and instead must comply with clause 6.5(b).

- (b) Each Ineligible Foreign Shareholder authorises Bidder and MyState to, and Bidder (or MyState as applicable) must, subject to clauses 6.4 and 6.7:
- (i) procure the issue by MyState to the Sale Agent any New MyState Shares to which an Ineligible Foreign Shareholder would otherwise be entitled to receive in the form of New MyState Shares (**Relevant MyState Shares**);
 - (ii) procure that the Sale Agent as soon as reasonably practicable after the Implementation Date (and in any event not more than 20 Business Days after the Implementation Date), as directed by MyState or Bidder (as applicable):
 - (A) sells or procures the sale of all of the Relevant MyState Shares issued to the Sale Agent pursuant to clause 6.5(b)(i) (including on an aggregated or partially aggregated basis), in the ordinary course of trading on ASX in such manner, and at such price as the Sale Agent reasonably determines in good faith; and
 - (B) remits to Bidder (or MyState at the direction of and on behalf of Bidder) (as applicable) or to Ineligible Foreign Shareholders directly, as directed by Bidder or MyState (as applicable), the proceeds of such sale (net of any applicable brokerage, stamp duty and other selling costs, taxes and charges) (**Proceeds**);
 - (iii) promptly after receiving the Proceeds in accordance with clause 6.5(b)(ii)(B) (and for the avoidance of doubt, except where the relevant payment has already been made by the Sale Agent directly to the Ineligible Foreign Shareholder, as directed by MyState or Bidder under clause 6.5(b)(ii)(B)), Bidder or MyState (as applicable) will pay or procure the payment to each Ineligible Foreign Shareholder an amount equal to the proportion of the Proceeds received by Bidder or MyState under clause 6.5(b)(ii)(B) to which that Ineligible Foreign Shareholder is entitled in full satisfaction of their entitlement to the Scheme Consideration, in accordance with the following formula and rounded down to the nearest cent:

$$A = (B/C) \times D$$

Where

A is the amount to be paid to the Ineligible Foreign Shareholder;

B is the number of Relevant MyState Shares attributable to, and that would otherwise have been issued to (in the form of New MyState Shares), that Ineligible Foreign Shareholder had it not been an Ineligible Foreign Shareholder and which are instead issued to the Sale Agent;

C is the total number of Relevant MyState Shares attributable to, and which would otherwise have been issued to, all Ineligible Foreign Shareholders collectively (in the form of New MyState Shares) and which are instead issued to the Sale Agent; and

D is the Proceeds (as defined in clause 6.5(b)(ii)(B)).

- (iv) Each Ineligible Foreign Shareholder acknowledges that none of Auswide, MyState, Bidder or the Sale Agent make any assurances or representation as to the price that will be achieved for the sale of the Relevant MyState Shares under clause 6.5(b)(iii) or the amount of Proceeds to be received by Ineligible Foreign Shareholders under clause 6.5(b)(ii). Each of Auswide, MyState, Bidder and the Sale Agent expressly disclaim any fiduciary duty to the Ineligible Foreign Shareholders which may otherwise arise in connection with this clause 6.5.
- (v) Sale Agent, Bidder or MyState (as applicable) must make, or procure the making of, payments to Ineligible Foreign Shareholders under clause 6.5(b)(iii) by either (in the absolute discretion of Sale Agent, Bidder or MyState (as applicable), and despite any election referred to in clause 6.5(b)(v)(B) or authority referred to in clause 6.5(b)(v)(A) made or given by the Scheme Participant):
 - (A) paying, or procuring the payment of, the relevant amount in dollars by electronic means to a bank account nominated by the Ineligible Foreign Shareholder by an appropriate authority from the Ineligible Foreign Shareholder to MyState or Bidder (or Sale Agent) as applicable; or
 - (B) if a bank account has not been nominated by the Ineligible Foreign Shareholder in accordance with clause 6.5(b)(v)(A):
 - (aa) if an Ineligible Foreign Shareholder has, before the Record Date, made a valid election in accordance with the requirements of the Registry to receive dividend payments from Auswide by electronic funds transfer to a bank account nominated by the Ineligible Foreign Shareholder, paying, or procuring the payment of, the relevant amount in dollars by electronic means in accordance with that election; or
 - (ab) otherwise dispatching, or procuring the dispatch of, a cheque for the relevant amount in dollars to the Ineligible Foreign Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of the Ineligible Foreign Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 6.9).
- (vi) If MyState, Sale Agent or Bidder receives professional advice that any withholding or other tax is required by law or by a Regulatory Authority to be withheld from a payment to an Ineligible Foreign Shareholder, MyState, Sale Agent or Bidder (as applicable) is entitled to withhold the relevant amount before making the payment to the Ineligible Foreign Shareholder (and payment of the reduced amount shall be taken to be full payment of the relevant amount for the purposes of this Scheme, including clause 6.5(b)(iii)). MyState, Sale Agent or Bidder (as applicable) must pay any amount so withheld to the relevant taxation authorities within the time permitted by law, and, if requested in writing by the relevant Ineligible Foreign Shareholder, provide a receipt or other appropriate evidence of

such payment (or procure the provision of such receipt or other evidence) to the relevant Ineligible Foreign Shareholder.

- (vii) Each Ineligible Foreign Shareholder appoints MyState and Bidder severally as its agent to receive on its behalf any financial services guide (or similar or equivalent document) or other notices (including any updates of those documents) that the Sale Agent is required to provide to Ineligible Foreign Shareholders under the Corporations Act or any other applicable law.
- (viii) Payment of the amount 'A' calculated in accordance with clause 6.5(b)(iii) to an Ineligible Foreign Shareholder in accordance with this clause 6.5 (subject to any reduction in accordance with clause 6.5(b)(vi)) satisfies in full the Ineligible Foreign Shareholder's right to Scheme Consideration and interest will not be paid on any Proceeds.

6.6 Unclaimed monies

- (a) MyState, Bidder or the Sale Agent (as applicable) may cancel a cheque issued under clause 6.5(b)(v)(B)(ab) of this Scheme if the cheque:
 - (i) is returned to MyState, Bidder or the Sale Agent (as applicable); or
 - (ii) has not been presented for payment within 6 months after the date on which the cheque was sent.
- (b) During the period of 1 year commencing on the Implementation Date, on request from a Scheme Participant, Sale Agent, MyState or Bidder (as applicable) must reissue (or procure the reissue of) a cheque that was previously cancelled under clause 6.6(a).
- (c) The Unclaimed Money Act will apply in relation to any Scheme Consideration which becomes "unclaimed money" (as defined in section 7 of the Unclaimed Money Act). Any interest or other benefit accruing from the unclaimed Scheme Consideration will be to the benefit of Bidder.

6.7 Orders of a court or Regulatory Authority

- (a) If an applicable law requires, or if written notice is given to Auswide (or the Registry), Bidder or MyState (or MyState's Share Registry) of an order, direction or notice made or given by a court of competent jurisdiction or by another Regulatory Authority that:
 - (i) requires consideration which would otherwise be provided to a Scheme Participant in accordance with this clause 6 to instead be provided to a Regulatory Authority or other third party (either through payment of a sum or the issuance of a security), or which requires any amount to be deducted or withheld from any consideration which would otherwise be provided to a Scheme Participant in accordance with this clause 6, then Auswide, Bidder or MyState (as applicable) shall be entitled to procure that provision of that consideration is made in accordance with that order, direction or notice (and payment or provision of, or the deduction or withholding from, that consideration in accordance with that order, direction or notice will be treated for all purposes under this Scheme as having been paid or provided to that Scheme Participant); or

- (ii) prevents consideration being provided to any particular Scheme Participant in accordance with this clause 6, or the payment or provision of such consideration is otherwise prohibited by applicable law, Auswide, Bidder or MyState (as applicable) shall be entitled to:

- (A) in the case of an Ineligible Foreign Shareholder, retain an amount, in dollars, equal to the relevant Ineligible Foreign Shareholder's share of the Proceeds; or
- (B) not issue (or procure the issue of), or to issue (or procure the issue) to a trustee or nominee, such number of New MyState Shares as that Scheme Participant would otherwise be entitled to under this clause 6,

until such time as payment or provision of the consideration in accordance with this clause 6 is permitted by that order or direction or otherwise by law.

- (b) Auswide, MyState or Bidder (as applicable) may deduct and withhold from any Scheme Consideration otherwise due to be provided in accordance with this Scheme, any amount which Auswide, Bidder or MyState (as applicable) determine is required to be deducted and withheld from that consideration under any applicable law, including any order, direction or notice made or given by a court of competent jurisdiction or by any Regulatory Authority.
- (c) To the extent that amounts are deducted or withheld under or in accordance with this clause 6.7, such deducted or withheld amounts will be treated for all purposes under this Scheme as having been paid to the person in respect of which such deduction or withhold was made.

6.8 Status of New MyState Shares

MyState covenants in favour of Auswide (in its own right and separately as trustee or nominee of each Scheme Participant) that:

- (a) the New MyState Shares required to be issued under this Scheme will:
- (i) upon their issue, rank equally in all respects with all other MyState Shares then on issue and be entitled to participate in and receive any dividends, any distribution of capital and any other entitlements accruing in respect of MyState Shares after the Implementation Date; and
- (ii) be fully paid and free from Encumbrance; and
- (b) it will do everything reasonably necessary to ensure the New MyState Shares issued under the Scheme will be listed for quotation on the official list of ASX on or before the Business Day after the Effective Date, initially on a deferred settlement basis and, with effect from no later than the Business Day following the Implementation Date, on a normal (T+2) settlement basis.

6.9 Joint holders

In the case of Scheme Shares held in joint names:

- (a) any New MyState Shares to be issued as Scheme Consideration in respect of those Scheme Shares must be issued to and registered in the names of the joint holders and entry in the MyState Share Register must

take place in the same order as the holders' names appear in the Register as at the Record Date;

- (b) any cheque required to be sent by MyState, Bidder or Sale Agent under this Scheme must be payable to the joint holders and be forwarded to the holder whose name appears first in the Register as at the Record Date; and
- (c) any other document required to be sent under this Scheme, will be forwarded to either, at the sole discretion of Auswide, the holder whose name appears first in the Register as at the Record Date or to the joint holders.

7 Dealings in Scheme Shares

7.1 Determination of Scheme Participants

To establish the identity of the Scheme Participants, dealings in Scheme Shares or other alterations to the Register will only be recognised by Auswide if:

- (a) in the case of dealings of the type to be effected using CHES, the transferee is registered in the Register as the holder of the relevant Scheme Shares on or before the Record Date; and
- (b) in all other cases, registrable transmission applications or transfers in registrable form in respect of those dealings are received on or before the Record Date at the place where the Register is kept.

7.2 Register

Auswide must register any registrable transmission applications or transfers of the Scheme Shares received in accordance with clause 7.1(b) of this Scheme on or before the Record Date.

7.3 No disposals after Effective Date

- (a) If this Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of, purport to dispose of, agree to dispose of, or otherwise deal with, any Scheme Shares or any interest in them after the Record Date in any way except as set out in this Scheme and any such disposal or attempt to do so will be void and of no legal effect whatsoever and Auswide will disregard any such disposal or dealing or attempted disposal or dealing.
- (b) Auswide will not accept for registration or recognise for any purpose any transmission, application or transfer in respect of Scheme Shares received after the Record Date (except a transfer to Bidder pursuant to this Scheme and any subsequent transfer by Bidder or its successors in title).

7.4 Maintenance of Auswide Register

For the purpose of determining entitlements to the Scheme Consideration, Auswide will maintain the Register in accordance with the provisions of this clause 7 until the Scheme Consideration has been issued to the Scheme Participants and Bidder has been entered in the Register as the holder of all the Scheme Shares. The Register in this form will solely determine entitlements to the Scheme Consideration.

7.5 Effect of certificates and holding statements

Subject to provision of the Scheme Consideration, any statements of holding in respect of Scheme Shares will cease to have effect after the Record Date as documents of title in respect of those shares (other than statements of holding in favour of Bidder and its successors in title). After the Record Date, each entry current on the Register as at the Record Date (other than entries in respect of Bidder or its successors in title) will cease to have effect except as evidence of entitlement to the Scheme Consideration.

7.6 Details of Scheme Participants

As soon as possible on or after the Record Date, and, in any event, by 5.00pm on the third Business Day after the Record Date, Auswide will ensure that details of the names, Registered Addresses and holdings of Scheme Shares for each Scheme Participant, as shown in the Register at the Record Date are available to MyState and Bidder in such form as MyState reasonably requires.

7.7 Quotation of Auswide Shares

Auswide must apply to ASX to suspend trading on ASX of Auswide Shares with effect from the close of trading on the Effective Date.

7.8 Termination of quotation of Auswide Shares

After the Scheme has been fully implemented, Auswide will apply:

- (a) for termination of the official quotation of Auswide Shares on ASX; and
- (b) to have itself removed from the official list of the ASX.

8 Instructions and notifications

If not prohibited by law (and including where permitted or facilitated by relief granted by a Regulatory Authority), all instructions, notifications or elections by a Scheme Participant to Auswide that are binding or deemed binding between the Scheme Participant and Auswide relating to Auswide or Auswide Shares, including instructions, notifications or elections relating to:

- (a) whether dividends are to be paid by cheque or into a specific bank account;
- (b) payments of dividends on Auswide Shares; and
- (c) notices or other communications from Auswide (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by MyState in its sole discretion), by reason of this Scheme, to be made by the Scheme Participant to MyState and to be a binding instruction, notification or election to, and accepted by, MyState until that instruction, notification or election is revoked or amended in writing addressed to MyState at its registry.

9 Appointment of Auswide as attorney for implementation of Scheme

Each Scheme Participant, without the need for any further act by any Scheme Participant, irrevocably appoints Auswide and each of its directors and

secretaries (jointly and each of them individually) as its attorney and agent for the purpose of:

- (a) executing any document or doing or taking any other act necessary, desirable or expedient, or incidental to give effect to this Scheme and the transactions contemplated by it including executing and delivering any Share Scheme Transfer and any other deed or document reasonably required by MyState, that causes each Scheme Participant (or the Sale Agent, if applicable) to become holder of New MyState Shares and to be bound by the constitution of MyState; and
- (b) on and from the Effective Date enforcing the Deed Poll against Bidder and MyState (and Auswide undertakes in favour of each Scheme Participant that it will enforce the Deed Poll against Bidder and MyState on behalf of, and as agent and attorney of, each Scheme Participant),

and Auswide accepts such appointment. Auswide, as attorney and agent of each Scheme Participant, may sub-delegate any of its functions, authorities or powers under this clause 9 to all or any of its directors or officers (jointly, individually or jointly and individually).

10 Appointment of MyState as attorney in respect of Scheme Shares

Immediately upon the provision of the Scheme Consideration to each Scheme Participant in the manner contemplated by clauses 6.3 and 6.4, until Bidder is registered as the holder of all Scheme Shares, each Scheme Participant:

- (a) irrevocably appoints MyState and Bidder severally as its agent and attorney (and irrevocably appoints MyState and Bidder severally as its agent and attorney to appoint any of the directors and officers nominated by MyState or Bidder (as applicable) as its agent and attorney) to:
 - (i) appoint the chair of the board of directors of Auswide and, where applicable, corporate representative to attend Auswide Shareholders' meetings;
 - (ii) exercise the votes attaching to Auswide Shares registered in the name of the Scheme Participant; and
 - (iii) sign any Auswide Shareholders' resolution;
- (b) must not attend or vote at any Auswide Shareholders' meetings or sign any Auswide Shareholders' resolution (whether in person, by proxy or by corporate representative) other than pursuant to clause 10(a)(ii); and
- (c) must take all other action in the capacity of a registered holder of Scheme Shares as MyState or Bidder (as applicable) reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 10(a) to 10(c), Bidder, MyState and any nominated director and officer or, where applicable, corporate representative nominated by Bidder, MyState, or any nominated director or officer under clause 10(a), may act in the best interests of Bidder as the intended registered holder of the Scheme Shares.

11 Notices

11.1 No deemed receipt

If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Auswide, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Auswide's registered office or at the office of the registrar of Auswide Shares.

11.2 Accidental omission

The accidental omission to give notice of the Scheme Meeting or the non-receipt of such a notice by any Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

11.3 Form

- (a) Unless this document expressly states otherwise, all notices, demands, certificates, consents, approvals, waivers and other communications in connection with this document must be in writing and signed by the sender (if an individual) or an authorised officer of the sender.
- (b) All communications (other than email communications) must also be marked for the attention of the person referred to in the Details (or, if the recipient has notified otherwise, then marked for attention in the way last notified).
- (c) Email communications must state the first and last name of the sender and are taken to be signed by the named sender.

11.4 Delivery

Communications must be:

- (a) left at the address referred to in the Details;
- (b) sent by regular ordinary post (airmail if appropriate) to the address referred to in the Details; or
- (c) sent by email to the address referred to in the Details.

If the intended recipient has notified changed contact details, then communications must be sent to the changed contact details.

11.5 When effective

Communications take effect from the time they are received or taken to be received under clause 11.6 (whichever happens first) unless a later time is specified in the communication.

11.6 When taken to be received

Subject to clause 11.1, communications are taken to be received:

- (a) if sent by post, 6 Business Days after posting (or 10 days after posting if sent from one country to another); or
- (b) if sent by email:

- (i) when the sender receives an automated message confirming delivery; or
- (ii) 4 hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that delivery failed,

whichever happens first.

11.7 Receipt outside business hours

Despite anything else in this clause 11, if communications are received or taken to be received under clause 11.6 after 5.00pm on a Business Day or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day. For the purposes of this clause, the place in the definition of Business Day is taken to be the place specified in the Details as the address of the recipient and the time of receipt is the time in that place.

12 General

12.1 Variations, alterations and conditions

- (a) Auswide may, with the prior consent of MyState, by its counsel or solicitor, consent on behalf of all persons concerned to those variations, alterations or conditions to this Scheme which the Court thinks fit to impose; and
- (b) each Scheme Participant agrees to any such variations, alterations or conditions which Auswide has consented to pursuant to clause 12.1 of this Scheme.

12.2 Further action by Auswide

Auswide will execute all documents and do all things (on its own behalf and on behalf of each Scheme Participant) necessary or expedient to implement, and perform its obligations under, this Scheme.

12.3 Authority and acknowledgement

Each of the Scheme Participants irrevocably consents to Auswide, Bidder and MyState doing all things necessary or expedient for or incidental to the implementation of this Scheme.

12.4 No liability when acting in good faith

Each Scheme Participant agrees that neither Auswide, Bidder nor MyState, nor any of their respective officers or employees, will be liable to a Scheme Participant for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

12.5 Enforcement of Deed Poll

Auswide undertakes in favour of each Scheme Participant to enforce the Deed Poll against MyState and Bidder on behalf of and as agent and attorney for the Scheme Participants.

12.6 Stamp duty

MyState and Bidder jointly and severally, must pay all stamp duties and any related fines, penalties and interest payable on or in connection with this Scheme, this document, any instrument executed under this document and the transactions effected by or made under the Scheme, and indemnify each Scheme Participant against any liability arising from a failure to comply with this clause 12.6.

13 Governing law

13.1 Governing law and jurisdiction

The law in force in the place specified in the Details governs this document. The parties submit to the non-exclusive jurisdiction of the courts of that place.

13.2 Serving documents

Without preventing any other method of service, any document in an action in connection with this document may be served on a party by being delivered or left at that party's address set out in the Details.

Scheme Implementation Agreement

Annexure B Deed Poll

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Deed Poll

Dated

Given by each of MyState Limited (ACN 133 623 962) (**MyState**) and
MyState Bank Limited (ACN 067 729 195) (**Bidder**)

In favour of each registered holder of fully paid ordinary shares in
Auswide Bank Ltd (ABN 087 652 060 (**Auswide**) as at the Record Date
(**Scheme Participants**)

King & Wood Mallesons

Level 33
Waterfront Place
1 Eagle Street
Brisbane QLD 4000
Australia
T +61 7 3244 8000
F +61 7 3244 8999
DX 311 Brisbane
www.kwm.com

Deed Poll

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Deed Poll

Details

Parties		
MyState	Name	MyState Limited
	ACN	133 623 962
	Formed in	Australia
	Address	Level 2, 137 Harrington Street, Hobart, Tasmania 7000
	Email	Secretariat@MyStateLimited.com.au
	Attention	Company Secretary
Bidder	Name	MyState Bank Limited
	ACN	067 729 195
	Formed in	Australia
	Address	Level 2, 137 Harrington Street, Hobart, Tasmania 7000
	Email	Secretariat@MyStateLimited.com.au
	Attention	Company Secretary
In favour of	Each registered holder of fully paid ordinary shares in Auswide as at the Record Date.	
Governing law	New South Wales	
Recitals	A	The directors of Auswide have resolved that Auswide should propose the Scheme.
	B	The effect of the Scheme will be that all Scheme Shares will be transferred to Bidder.
	C	Auswide and MyState have entered into the Scheme Implementation Agreement.
	D	In the Scheme Implementation Agreement, MyState agreed (amongst other things) to provide (or procure the provision of) the Scheme Consideration to each Scheme Participant, subject to the terms and conditions of that document.

- E** MyState is entering into this deed poll for the purpose of undertaking in favour of Scheme Participants to perform its obligations under the Scheme and the Scheme Implementation Agreement, including that it will issue the Scheme Consideration.
- F** Bidder is entering into this deed poll for the purpose of undertaking in favour of Scheme Participants to perform its obligations under the Scheme and the Scheme Implementation Agreement, including to procure the provision of the Scheme Consideration to each Scheme Participant.

Deed Poll

General terms

1 Definitions and interpretation

1.1 Definitions

Unless the contrary intention appears, these meanings apply:

Adjusted Scheme Consideration has the meaning given to that term in clause 6.2 of the Scheme.

Authorised Officer means a director or secretary of a party or any other person nominated by a party to act as an Authorised Officer for the purposes of this document.

Scheme means the proposed scheme of arrangement between Auswide and Scheme Participants under which all the Scheme Shares will be transferred to Bidder under Part 5.1 of the Corporations Act, substantially in the form of Annexure A to this deed poll, subject to any amendments or conditions made or required by the Court pursuant to section 411(6) of the Corporations Act, to the extent they are approved in writing by Auswide and MyState.

Scheme Consideration means the consideration to be issued by MyState for the transfer of Auswide Shares held by a Scheme Participant to Bidder, being, in respect of each Auswide Share, 1.112 New MyState Shares, unless the Scheme Consideration is adjusted in accordance with clause 6.2 of the Scheme, in which case all references to the 'Scheme Consideration' in this document are to be read as references to the 'Adjusted Scheme Consideration'.

Scheme Implementation Agreement means the scheme implementation agreement dated 19 August 2024 between Auswide, MyState and Bidder under which, amongst other things, Auswide has agreed to propose the Scheme to Auswide Shareholders, and each of MyState, Bidder and Auswide has agreed to take certain steps to give effect to the Scheme.

All other words and phrases used in this document have the same meaning as given to them in the Scheme.

1.2 General interpretation

Clause 1.2 of the Scheme applies to this document except that references to "this Scheme" are to be read as references to "this document".

1.3 Nature of deed poll

Each of Bidder and MyState acknowledge that:

- (a) this document may be relied on and enforced by any Scheme Participant in accordance with its terms even though the Scheme Participants are not a party to it; and
- (b) under the Scheme, each Scheme Participant irrevocably appoints Auswide and each of its directors, officers and secretaries (jointly and individually) as its agent and attorney to enforce this deed against Bidder and MyState on behalf of that Scheme Participant.

2 Conditions precedent and termination

2.1 Conditions precedent

The respective obligations of each of Bidder and MyState under clause 4 are subject to, and conditional on, the Scheme first becoming Effective.

2.2 Termination

The obligations of Bidder and MyState under this document will automatically terminate and the terms of this document will be of no further force or effect if:

- (a) the Scheme has not become Effective on or before the End Date; or
- (b) the Scheme Implementation Agreement is terminated in accordance with its terms before the Scheme becomes Effective,

unless Auswide and MyState otherwise agree in writing.

2.3 Consequences of termination

If this document is terminated under clause 2.2, then, in addition and without prejudice to any other rights, powers or remedies available to Scheme Participants:

- (a) Bidder and MyState are released from their respective obligations to further perform this document except those obligations contained in clause 7(b) and any other obligations which by their nature survive termination; and
- (b) each Scheme Participant retains the rights, powers or remedies they have against Bidder and MyState in respect of any breach of this document which occurs before it is terminated.

3 Performance of obligations generally

- (a) MyState and Bidder must comply with its obligations under the Scheme Implementation Agreement and each of MyState and Bidder must do all acts and things necessary or desirable on its part to give full effect to the Scheme.
- (b) Subject to clause 2, each of MyState and Bidder covenants in favour of each Scheme Participant that it will be bound by the terms of the Scheme as if it were a party to the Scheme and undertakes to perform all obligations and other actions attributed to it, including those obligations and actions which relate to the issue of the Scheme Consideration, and give each acknowledgement, representation and warranty (if any), attributed to it under the Scheme, subject to and in accordance with the terms of the Scheme Implementation Agreement and the Scheme.

4 Scheme Consideration

4.1 Provision of Scheme Consideration

Subject to clause 2, each of MyState and Bidder undertakes in favour of each Scheme Participant to observe and perform all obligations contemplated of it

under the Scheme to provide, or procure the provision of, the Scheme Consideration to each Scheme Participant, in accordance with the Scheme.

4.2 Manner of payment

MyState's and Bidder's obligation to provide the Scheme Consideration under clause 4.1 is satisfied by MyState issuing, on or before the Implementation Date, the New MyState Shares required to be issued under the Scheme and procuring that the name and address of each such Scheme Participant is entered into the MyState Share Register in respect of those New MyState Shares, subject to and in accordance with the terms of the Scheme.

4.3 Shares to rank equally

MyState covenants in favour of each Scheme Participant that the New MyState Shares which are issued in accordance with the Scheme will, upon their issue:

- (a) rank equally in all respects with all other MyState Shares on issue as at the Effective Date; and
- (b) be issued fully paid and free from any Encumbrance.

4.4 Joint holders

In the case of Scheme Shares held in joint names any New MyState Shares to be provided under the Scheme must be provided to, and registered in the names of, the joint holders and entry in the MyState Share Register must take place in the same order as the holders' names appear in the Register as at the Record Date.

5 Representations and warranties

Each of MyState and Bidder represents and warrants that:

- (a) **(status)** it has been incorporated or formed in accordance with the laws of its place of incorporation or formation, is validly existing under those laws and has power and authority to own its assets and carry on its business as it is now being conducted;
- (b) **(power)** it has power to enter into this document, to comply with its obligations under it and exercise its rights under it;
- (c) **(no contravention)** the entry by it into, its compliance with its obligations and the exercise of its rights under, this document do not and will not conflict with:
 - (i) its constituent documents or cause a limitation on its powers or the powers of its directors to be exceeded;
 - (ii) any law binding on or applicable to it or its assets; or
 - (iii) any Encumbrance or material document binding on or applicable to it;
- (d) **(authorisations)** it has in full force and effect each corporate authorisation necessary, and has taken all necessary corporate action, to authorise its entry into this document and has taken or will take all necessary corporate action to authorise the performance of this

document and to carry out the transactions contemplated by this document;

- (e) **(validity of obligations)** its obligations under this document are valid and binding and are enforceable against it in accordance with its terms; and
- (f) **(solvency)** it is not Insolvent (as that term is defined in the Scheme Implementation Agreement).

6 Continuing obligations

This document is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) MyState and Bidder have fully performed their respective obligations under this document; or
- (b) the earlier termination of this document under clause 2.2.

7 Costs and stamp duty

- (a) MyState and Bidder must bear their own costs arising out of the negotiation, preparation and execution of this document.
- (b) MyState and Bidder jointly and severally, must pay or reimburse all stamp duties and any related fines, penalties and interest payable in respect of the Scheme and this deed poll, the performance of this deed poll and each transaction effected by or made under the Scheme and this deed poll; and
- (c) MyState and Bidder jointly and severally indemnify each Scheme Participant against any liability in respect of stamp duty under clause 7(b).

8 Notices and other communications

8.1 Form

- (a) Unless this document expressly states otherwise, all notices, demands, certificates, consents, approvals, waivers and other communications in connection with this document must be in writing and signed by the sender (if an individual) or an Authorised Officer of the sender.
- (b) All communications (other than email communications) must also be marked for the attention of the person referred to in the Details (or, if the recipient has notified otherwise, then marked for attention in the way last notified).
- (c) Email communications must state the first and last name of the sender and are taken to be signed by the named sender.

8.2 Delivery

Communications must be:

- (a) left at the address referred to in the Details;

- (b) sent by regular ordinary post (airmail if appropriate) to the address referred to in the Details; or
- (c) sent by email to the address referred to in the Details.

If the intended recipient has notified changed contact details, then communications must be sent to the changed contact details.

8.3 When effective

Communications take effect from the time they are received or taken to be received under clause 8.4 (whichever happens first) unless a later time is specified in the communication.

8.4 When taken to be received

Communications are taken to be received:

- (a) if sent by post, 6 Business Days after posting (or 10 days after posting if sent from one country to another); or
- (b) if sent by email:
- (i) when the sender receives an automated message confirming delivery; or
 - (ii) 4 hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that delivery failed,

whichever happens first.

8.5 Receipt outside business hours

Despite anything else in this clause 8, if communications are received or taken to be received under clause 8.4 after 5.00pm on a Business Day or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day. For the purposes of this clause, the place in the definition of Business Day is taken to be the place specified in the Details as the address of the recipient and the time of receipt is the time in that place.

9 General

9.1 Variation

A provision of this document or any right created under it may not be varied, altered or otherwise amended unless:

- (a) if the variation occurs before the First Court Date (as that term is defined in the Scheme Implementation Agreement) the variation is agreed to by Auswide and MyState in writing; and
- (b) if the variation occurs on or after the First Court Date (as that term is defined in the Scheme Implementation Agreement), the variation is agreed to by Auswide and MyState in writing and the Court indicates (either at the hearing on the First Court Date, at an interlocutory hearing or the hearing on the Second Court Date) that the variation, alteration or amendment would not itself preclude approval of the Scheme,

in which event MyState and Bidder must enter into a further deed poll in favour of the Scheme Participants giving effect to the variation, alteration or amendment.

9.2 Partial exercising of rights

Unless this document expressly states otherwise, if MyState or Bidder (as applicable) does not exercise a right, power or remedy in connection with this document fully or at a given time, it may still exercise it later.

9.3 No waiver

- (a) A provision of this document, or any right, power or remedy created under it may not be varied or waived except in writing signed by the party to be bound.
- (b) No failure to exercise, nor any delay in exercising, any right, power or remedy by MyState, Bidder or by any Scheme Participant operates as a waiver. A waiver of any right, power or remedy on one or more occasions does not operate as a waiver of that right, power or remedy on any other occasion, or of any other right, power or remedy.

9.4 Remedies cumulative

The rights, powers and remedies in connection with this document are in addition to other rights, powers and remedies given by law independently of this document.

9.5 Assignment or other dealings

None of MyState, Bidder or any Scheme Participant may assign or otherwise deal with its rights under this document or allow any interest in them to arise or be varied without the consent of MyState, Bidder and Auswide. Any purported dealing in contravention of this clause 9.5 is invalid.

9.6 Further steps

Each of MyState and Bidder agree to do anything including executing all documents and do all things (on its own behalf or on behalf of each Scheme Participant) at its own expense necessary or expedient to give full effect to this document and the transactions contemplated by it.

9.7 Severability

If the whole or any part of a provision of this document is void, unenforceable or illegal in a jurisdiction it is severed for that jurisdiction. The remainder of this document has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected. This clause has no effect if the severance alters the basic nature of this document or is contrary to public policy.

10 Governing law and jurisdiction

10.1 Governing law and jurisdiction

The law in force in the place specified in the Details governs this document. Each of MyState and Bidder submits to the non-exclusive jurisdiction of the courts of that place.

10.2 Serving documents

Without preventing any other method of service, any document in an action in connection with this document may be served on MyState or Bidder by being delivered or left at its address set out in the Details.

EXECUTED as a deed poll

Deed Poll

Signing page

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DATED: _____

EXECUTED by MYSTATE LIMITED)
(ACN 133 623 962) in accordance with)
section 127(1) of the Corporations Act)
2001 (Cth) by authority of its directors:)

.....)
Signature of director)

.....)
Name of director (block letters))

.....
Signature of director/company)
secretary)

.....
Name of director/company secretary)
(block letters))

EXECUTED by MYSTATE BANK)
LIMITED (ACN 067 729 195) in)
accordance with section 127(1) of the)
Corporations Act 2001 (Cth) by)
authority of its directors:)

.....)
Signature of director)

.....)
Name of director (block letters))

.....
Signature of director/company)
secretary)

.....
Name of director/company secretary)
(block letters))

Deed Poll

Annexure A - Scheme

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