

# Dividend Reinvestment Plan

If you have any doubts as to what you should do, please consult your stockbroker, accountant or other professional adviser.

If you have any questions in relation to the Dividend Reinvestment Plan after reading this booklet, please call the Share Registry on +61 1800 645 237.

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## Rules of the Dividend Reinvestment Plan

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*Defined words and expressions used in this booklet are capitalised. See the Glossary on page 19 for their meanings.*

## Features of the Dividend Reinvestment Plan

Under the Steadfast Group Limited (SDF) Dividend Reinvestment Plan (DRP), you can choose to reinvest Dividends on your ordinary shares in SDF to acquire additional fully paid ordinary shares in SDF rather than receiving those Dividends in cash.

The DRP provides a convenient and cost effective way to increase your investment in one of Australia's leading insurance broking and related services groups.

- Participation is entirely voluntary and you can choose to reinvest all, part or none of your Dividend in the DRP
- You do not have to appoint a broker and you will not pay fees, brokerage or other transaction costs for Shares Allocated to you under the DRP
- You can choose to join, withdraw, or vary your participation in the DRP at any time, however, your DRP form or instruction must be received by 5pm Sydney (Australia) time on the Business Day after the next Dividend Record Date to be active for the next Dividend
- Shares Allocated under the DRP will rank equally with existing Shares
- Shares acquired by you under the DRP are credited directly to your shareholding
- DRP statements showing the Dividend calculation and the details of your participation will be despatched on the relevant Dividend Payment Date.

Defined words and expressions used in this booklet are capitalised. Please refer to the Glossary on page 19 for their meanings.

## Questions and Answers

Shareholders should read the detailed DRP Rules and not rely on these questions and answers. If there is any inconsistency between the DRP Rules and these questions and answers, the DRP Rules prevail. If in doubt, consult your legal or financial adviser before deciding whether to participate.

### 1. How do I participate in the DRP?

Participation in the DRP is entirely voluntary. You can choose to participate by either:

- Applying online; or
- Completing a DRP form and returning it to the Share Registry at the address shown on the DRP form.

#### *Apply online*

You can go online and add or amend your DRP form or instructions through our [Share Registry's investor centre site](#). You will be required to enter your shareholder reference number (SRN) or holder identification number (HIN) and postcode. As an additional security measure you will also be asked to create a user identity and password if you have not previously used the Share Registry's investor centre site.

#### *Complete the DRP form*

You can contact the Share Registry on +61 1800 645 237 to request a DRP form be mailed to you. You should have SRN and HIN details handy when contacting the Share Registry for getting the DRP form from the investor centre. Once you complete the DRP form, please return it to the Share Registry at the address shown on the DRP form.

### 2. Who is eligible to participate in the DRP?

SDF shareholders holding ordinary shares who have a registered address in Australia or New Zealand are eligible to participate in the DRP, unless they are U.S. persons or hold Shares on behalf of another person who resides outside Australia.

Shareholders in other jurisdictions may also be eligible in some circumstances. Please see the DRP Rules in this booklet for further information about eligibility.

### 3. When will my participation in the Plan begin?

Participation begins:

(i) if your DRP online application or DRP form is received before 5pm Sydney (Australia) time on the Business Day after a Dividend Record Date, that Dividend Record Date; or

(ii) otherwise, the next Dividend Record Date.

### 4. How is the Issue Price calculated?

The Issue Price is based on an Average Market Price of Shares calculated during a set Pricing Period. The Pricing Period for DRP Shares will be determined by the Directors for each Dividend Payment Date; however it will be at least five Trading Days. The Issue Price will be rounded to four decimal places (or such other number of decimal places as the Directors may determine).

**5. Do all my Shares have to participate in the DRP?**

You can choose to have less than your full shareholding participating in the DRP (Partial Participation). If you choose Partial Participation, you will need to provide a direct credit instruction so as to receive payment for the portion of your Shares not participating in the DRP.

If you do not provide a direct credit instruction, your Dividend for the portion of Shares not participating in the DRP will be held for you, until we receive your direct credit instruction. Funds so held on your behalf will not accrue interest.

**6. Is there a minimum or maximum participation level?**

SDF has the discretion to introduce a minimum or maximum participation level. Please see Rule 4 for further information.

**7. How many Shares will I receive?**

The number of DRP Shares you receive will be calculated by multiplying the number of Participating Shares you hold at the Dividend Record Date by the relevant Dividend, deducting any withholding tax or other deductions (if applicable), adding any carried forward residual cash balance (if applicable), and then dividing this amount by the Issue Price. The calculation will be rounded down to the nearest whole number of Shares.

**8. How will I know how many Shares I have received under the DRP?**

All participants in the DRP will be sent a statement after each Allocation of DRP Shares. This statement will include:

- The number of Participating Shares you held at the Dividend Record Date
- The Dividend Payment calculation (including withholding tax or other deductions, if applicable)
- The amount of residual cash balance brought forward from the previous dividend payment
- The Issue Price of the DRP Shares
- The number of DRP Shares issued to you
- The amount of any residual balance after the issue of DRP Shares that will be carried forward (if applicable).

If you are a partial Participant you will also receive your direct credit payment advice with this statement.

**9. How will my DRP Shares be treated for the subsequent dividend payments?**

If you choose to participate fully in the DRP, all Shares held by you at each Dividend Record Date will be treated as participating in the DRP (Participating Shares), including any previously acquired DRP Shares or other Shares. If you choose Partial Participation, only the number of Shares you have specified will be Participating Shares. The number of Shares that will be treated as participating in the DRP may be limited if SDF elects to introduce a minimum or maximum participation.

### 10. What occurs when there is a residual balance?

Generally, when there is a residual balance following the calculation of the Issue Price and the number of DRP Shares you receive, it will be carried forward and added to your next Dividend Payment entitlement. However, in some circumstances it may be paid to a registered charity or paid to you with your next Dividend Payment. Please see Rule 7.4 for further information about the residual balance.

The effects of participating in the DRP are illustrated below through a simple comparative of Full Participation, Partial Participation (at an example 25% of shareholding) and no participation. These scenarios assume that no withholding tax or other deductions have been made.

#### Illustration of effects of participating in the DRP

	Shareholder A Full Participation	Shareholder B Partial Participation	Shareholder C Does Not Participate
Shares held as at Dividend Record Date	1,000	1,000	1,000
Dividend per Share	\$0.06	\$0.06	\$0.06
Total Dividend	\$60.00	\$60.00	\$60.00
Participating Shares	1,000	250	0
Dividend on Participating Shares	\$60.00	\$15.00	Not applicable
Issue Price of DRP Shares	\$1.5257	\$1.5257	Not applicable
DRP Shares Allocated	39	9	Not applicable
Cost of DRP Shares Allocated	\$59.50	\$13.73	Not applicable
Residual balance in DRP account	\$0.50	\$1.27	Not applicable
Cash balance of total Dividend – Paid by direct credit	\$0.00	\$45.00	\$60
Total shares held after this Dividend	1,039	1,009	1,000
Participating Shares for next Dividend	1,039	250	0

Notes:

(1) Residual balances are generally carried forward to the next Dividend Payment Date – see Rule 7.4 for further details

(2) Excludes any Share transactions after Dividend Record Date

### 11. What if I have more than one SDF shareholding?

If you receive more than one SDF dividend, proxy form and or Annual General Meeting statements, you are most likely holding more than one SDF shareholding.

You will need to provide a separate DRP form or instruction for each of your shareholdings. For example, you may have issuer sponsored holdings and broker sponsored holdings. To make it

easier to manage your shareholdings, you may want to combine your shareholdings. Please contact the Share Registry on +61 1800 645 237 for more information.

### **12. What will happen if I combine my separate shareholdings?**

If you decide to combine your holdings, for instance by converting your issuer sponsored holding to your broker sponsored holding (or vice versa) your participation in the DRP and your direct credit details may be affected by the conversion of your holdings. You should contact the Share Registry following the conversion to ensure the appropriate DRP election continues to be applied.

### **13. Can the DRP be changed or terminated?**

SDF may vary the Rules or suspend or terminate the DRP at any time. Please refer to Rule 11 for further information. If this occurs, SDF will make a public announcement to the ASX and information will be available on [www.steadfast.com.au](http://www.steadfast.com.au).

### **14. How do I change my DRP participation?**

You can change your participation or withdraw from the DRP by either:

- Through our [Share Registry's investor centre site](#). You will be required to enter your SRN or HIN and postcode. As an additional security measure you will also be asked to create a user identity and password if you have not previously used the Share Registry's investor centre site.
- Contacting the Share Registry on +61 1800 645 237 to request a DRP form, completing the form and sending it to the Share Registry at the address shown on the DRP form. You should have your SRN or HIN and postcode details available for identification purposes.

Your DRP form or instruction must be received by the Registry or lodged online by 5pm Sydney (Australia) time on the Business Day after the next Dividend Record Date to be active for the next Dividend.

### **15. Can I sell my DRP shares?**

Shares acquired through the DRP can be sold at any time after Allocation and quotation.

### **16. What will happen if I sell Shares close to the time of the Dividend Record Date?**

If you sell Shares between a Dividend Record Date and Dividend Payment Date, your Dividend Payment in respect of Participating Shares will still be reinvested in the DRP. In this instance, if all the Shares are sold between the Dividend Record Date and Dividend Payment Date, Shares received under the DRP may be less than a marketable parcel and may be difficult or costly to liquidate.

If you sell Shares before the Dividend Record Date, you will not receive Shares under the DRP or any other payment on the Dividend Payment Date in respect of those Shares that you have sold.

### **17. What is the taxation treatment?**

Dividends reinvested into Shares are usually treated as cash dividends for Australian tax purposes.

SDF cannot advise on the taxation implications of participating in the DRP. If you have any questions regarding taxation implications, please consult your stockbroker, accountant or professional adviser.

**Enquiries**

The DRP Rules contain further information about how the DRP operates and how you can participate. If you have further enquiries (other than concerning taxation), please contact the company's Share Registry on +61 1800 645 237.

## Rules of the Dividend Reinvestment Plan

### 1. Commencement of DRP

The DRP and these Rules will commence operation on such date as the Directors determine.

### 2. Eligibility and participation

- 2.1. Only Eligible Shareholders may participate in the DRP
- 2.2. Subject to Rules 2.3 and 2.6, an Eligible Shareholder is, in respect of a particular Dividend Payment Date:
  - a) A person who, at the relevant Dividend Record Date was recorded in SDF's share register as having an address in Australia or New Zealand, unless that person holds Shares on behalf of another person who resides outside Australia or New Zealand and who would not, if named on the register, be an Eligible Shareholder under Rule 2.2(b) or
  - b) Any other registered holder of Shares at the relevant Dividend Record Date that has satisfied the Directors that:
    - the offer and issue or transfer of Shares under the DRP is lawful and practicable in the jurisdiction in which they reside; and
    - the person does not hold Shares on behalf of another person who resides outside Australia or New Zealand jurisdiction and who would not, if named on the register, be an Eligible Shareholder.
- 2.3. Notwithstanding any other terms of the DRP, "Eligible Shareholder" does not include any "U.S. person" (as defined in Regulation S under the U.S. Securities Act of 1933); nor on receipt by SDF of notice of the death, bankruptcy or liquidation of the Participant, except where the Participant was a joint holder and any remaining holder or joint holders are Eligible Shareholders.
- 2.4. Participation in the DRP by Eligible Shareholders:
  - a) Is optional and voluntary
  - b) Is not transferable
  - c) May be varied or terminated at any time as set out in Rule 10.
- 2.5. To apply to participate in the DRP, Eligible Shareholders must complete, sign and lodge with the Share Registry a DRP form or instruction in accordance with these Rules and the instructions on the DRP form. However:
  - a) SDF may accept written instructions from Eligible Shareholders for participation in the DRP which are not in the form of a DRP form if SDF decides that the instructions are clear and sufficient. Such written instruction, if acceptable to SDF, will be deemed to be a DRP form for the purpose of these Rules
  - b) SDF allows Eligible Shareholders to lodge DRP forms or instructions electronically, including through the [Share Registry's investor centre site](#).

By lodging your application or instruction, you will be representing that the application is in compliance with all the terms and conditions in this DRP Booklet and SDF is entitled to rely on your representation (see also Rule 6).

- 2.6. SDF may determine that a Shareholder is not an Eligible Shareholder within the terms of these Rules. Such a determination will be final. In making this determination, SDF may consider, among other things, whether a Shareholder obtained any necessary approvals or advices to enable that Shareholder to participate in the DRP in the jurisdiction in which that Shareholder resides.
- 2.7. If an Eligible Shareholder has more than one holding of Shares and wishes to participate in the DRP with respect to one or more such holding, a DRP form or instruction must be lodged with respect to each separate holding.
- 2.8. If Shares are jointly held by two or more Eligible Shareholders, all joint holders of such Shares must sign a single DRP form or instruction for it to be valid. If one or more of the joint holders of the Shares is not an Eligible Shareholder, none of the joint holders can apply to participate in the DRP with respect to each Share jointly held.
- 2.9. SDF may refuse to accept a DRP form or instruction and may suspend or withdraw Shares from participation in the DRP if it considers that the participation of those Shares might lead to:
  - a) Foreign persons or associates of foreign persons acquiring a significant interest or an aggregate significant interest in SDF for the purposes of the foreign takeovers legislation
  - b) An unacceptable shareholding situation arising for the purposes of the Financial Sector (Shareholdings) Act 1998.

### **3. Degrees of participation**

#### *Electing Full Participation or Partial Participation*

- 3.1. An Eligible Shareholder who wishes to participate in the DRP must elect the degree to which the Shareholder wishes to participate in the DRP.
- 3.2. The degree of participation that an Eligible Shareholder may elect is either:
  - a) Full Participation – for all of the Participant’s shareholding from time to time – see Rule 3.4 and Rule 4;
  - b) Partial Participation – for a specific number of Shares (being less than the total number of Shares held) nominated by the Participant – see Rules 3.5 and 3.6 and Rule 4.
- 3.3. Signed and otherwise complete DRP forms or instructions received by SDF which do not indicate the degree of participation in the DRP which an Eligible Shareholder wishes to elect, including by:
  - a) Electing Partial Participation without specifying the number of Participating Shares

- b) Signing the DRP form or instruction but not electing Full Participation or Partial Participation or
- c) Electing both Full Participation and Partial Participation, will, without further notice to the relevant Eligible Shareholder, be deemed to be an election of Full Participation. This Rule does not limit Rule 5 and Rule 6.

#### *Consequences of electing Full Participation*

- 3.4. Subject to Rule 4.2, if a Participant has elected Full Participation for a holding of Shares, all of that shareholding from time to time will be Participating Shares. This means that all Shares acquired by that Participant that are added to that holding (including any DRP Shares issued to the Participant) will be designated Participating Shares, subject to:
- a) The ASX Settlement Operating Rules
  - b) Any subsequent disposals of Shares
  - c) Any changes to that Participant's DRP election and
  - d) Any maximum limit on Participating Shares that may be set by SDF from time to time.

#### *Consequences of electing Partial Participation*

- 3.5. If a Participant has elected Partial Participation for a holding of Shares, the number of Participating Shares will remain that specified by the Participant and will not increase, irrespective of whether the Participant subsequently acquires additional Shares (including any DRP Shares issued to the Participant).
- 3.6. If a Participant who has elected Partial Participation holds, at any Dividend Record Date, fewer Shares than the number of Participating Shares specified by that Participant, then all of that Participant's holding of Shares will be designated Participating Shares for the purposes only of the Dividend to which the relevant Dividend Record Date relates.

## **4. Minimum and maximum participation**

- 4.1. Notwithstanding any other terms of the DRP, SDF may, whether in respect of a particular Dividend or as a continuing term of participation in the DRP, set a minimum or a maximum number of Participating Shares per Eligible Shareholder.
- 4.2. To the extent that a DRP form or instruction specifies a number of Participating Shares in excess of a maximum limit set under Rule 4.1 (including by electing Full Participation where the number of Participating Shares would exceed that limit), for so long as that limit applies:
- a) That limit will be deemed to be the number of Participating Shares for the purposes of Rule 7 and Rule 9.1;
  - b) Any Shares specified in a DRP form or instruction as Participating Shares in excess of that limit (including by electing Full Participation where the number of Participating Shares would exceed that limit) will be deemed to be Non-Participating

Shares, and any Dividend payable in respect of those Shares will be paid by direct credit. If you do not provide a direct credit instruction, your dividend for the portion of Shares not participating in the DRP will be held for you until we receive your direct credit instruction. Funds held on your behalf will not accrue interest.

- 4.3. Where a maximum limit is set under Rule 4.1, SDF may waive the limit on the number of Participating Shares at any time for any Eligible Shareholder who holds Shares as a trustee or nominee for a number of beneficial owners (who are also Eligible Shareholders), provided that:
- such trustee or nominee will not at any time participate in the DRP on behalf of any single beneficial owner in excess of the maximum limit set under Rule 4.1
  - Rule 4.2 will apply as if each such beneficial owner is the registered Shareholder.

## 5. Acceptance of applications

- 5.1. Subject to Rule 5.3, an Eligible Shareholder's participation in the DRP will commence from:
- a) the first Dividend Record Date following receipt by SDF's Share Registry of the Eligible Shareholder's DRP form or instruction if the DRP form or instruction is received by 5.00pm Sydney (Australia) time on the Business Day after that first Dividend Record Date; or
  - b) otherwise, the next Dividend Record Date,
- and will continue for so long as the DRP form or instruction is effective under Rule 5.2.

- 5.2. Subject to Rules 2.2 and 5.3, a DRP form or instruction submitted in accordance with Rule 2.5 is effective:
- a) From the date the DRP form or instruction is received by the Share Registry;
  - b) In respect of a Dividend, if it is received by 5pm Sydney (Australia) time on the Business Day after the Dividend Record Date for that Dividend;
  - c) Until:
    - the Participant varies or terminates its participation in the DRP pursuant to these Rules; or
    - suspension of the DRP for four or more consecutive Dividend Payment Dates; or
    - termination of the DRP; or
    - the Participant ceases to be an Eligible Shareholder. The instruction will become effective again if and at such time as the Shareholder recommences to be an Eligible Shareholder; and
    - upon and from recommencement of the DRP, following a suspension of less than four consecutive Dividend Payment Dates.

- 5.3. SDF may:
- a) Accept or refuse a DRP form or instruction which is not properly completed or signed; or
  - b) Correct any error in, or omission from, a DRP form or instruction, prior to acceptance under Rule 5.3(a).

- 5.4. SDF will record, with respect to each Participant:

- a) The name and address of the Participant (being the name and address in SDF's register of members, from time to time); and
- b) The number of Participating Shares held by the Participant from time to time, and SDF's records will be conclusive evidence of the matters so recorded.

## 6. Significance of applying

- 6.1. By completing a DRP form or instruction to participate in the DRP in accordance with Rule 2.5, an applicant for each applicable dividend:
- a) Warrants to SDF that it is an Eligible Shareholder (see Rule 2.2)
  - b) Authorises SDF (and its officers or agents) to correct any error, or omission from, its DRP form or instruction
  - c) Acknowledges that SDF may at any time irrevocably determine that the applicant's DRP participation is valid, in accordance with these Rules, even if the DRP form or instruction is incomplete, contains errors or is otherwise defective
  - d) Acknowledges that SDF may refuse any DRP form or instruction
  - e) Consents to the establishment of a DRP account on its behalf
  - f) Consents to any residual positive balance produced by the calculation in Rule 7.3 remaining in its DRP account rather than being paid by direct credit or as otherwise determined by the Directors
  - g) Agrees to the appointment of a trustee nominated by SDF as the Participant's agent to acquire Shares on market, where SDF decides to Allocate DRP Shares to Participants by transferring existing Shares in accordance with Rules 8.1 and 8.2
  - h) Consents to the donation of the residual positive balance in its DRP account to one or more registered charities as determined by SDF, in the circumstances set out in Rule 7.4(c)
  - i) Acknowledges that SDF may arrange for the DRP to be fully or partially underwritten in respect of any one or more Dividend Payment Dates
  - j) Acknowledges that neither SDF nor the Share Registry has provided the applicant with investment advice or financial product advice and that neither has any obligation to provide this advice, concerning its decision to apply to participate in the DRP
  - k) Consents to SDF obtaining DRP forms or instructions via an online service and acknowledges that SDF is not responsible to misuse by a person of the online service
  - l) Authorises SDF to collect and retain information submitted by the online service
  - m) Authorises SDF to rely on the DRP form or instruction and other information uploaded in the system unless notified otherwise by the Participant
  - n) Conditionally agrees to these Rules and agrees not to do any act or thing which would be contrary to the spirit, intention or purpose of the DRP, in each case, at all times until termination of the DRP or of the Participant's participation in the DRP

## 7. Reinvestment of Dividends

- 7.1. Subject to Rule 7.2 and Rule 10, each Dividend which is payable to a Participant in respect of Participating Shares will be applied by SDF on the Participant's behalf to

acquire or subscribe for DRP Shares.

- 7.2. Any portion of a Participant's Dividend Payment on Participating Shares:
- a) Which is deductible by SDF as withholding tax or
  - b) Which SDF is entitled or required to withhold or deduct for any reason from the Dividend Payable to that Participant,
- will not be applied to acquire or subscribe for DRP Shares.

*DRP account*

- 7.3. A DRP account for each Participant will be established and maintained by SDF. Subject to Rule 10, for each Dividend, SDF will, with respect to each Participant:
- a) Determine the Dividend Payment with respect to the Participating Shares
  - b) Determine any amount to be withheld or deducted under Rule 7.2
  - c) Credit the amount in paragraph (a) and debit any amount in paragraph (b) to the Participant's DRP account. Such payment into that account constitutes payment of the Dividend on those Participating Shares
  - d) Determine the number of DRP Shares which can be acquired under the DRP by dividing the amount in the Participant's DRP account by the Issue Price and rounding down to the nearest whole number of Shares
  - e) On behalf of and in the name of the Participant, subscribe for or purchase the number of DRP Shares determined under paragraph (d) and debit the aggregate Issue Price for those DRP Shares against the balance in the Participant's DRP account and
  - f) Where the calculation under paragraph (d), before rounding, produces a fractional number of DRP Shares, record the remainder as a dollar amount (any fraction of a cent will be disregarded) as a residual balance in the Participant's DRP account.
- 7.4. Any residual balance recorded in a Participant's DRP account as a result of Rule 7.3(f) will remain in the Participant's DRP account until:
- a) Unless paragraphs (b) or (c) apply, the next Dividend Payment Date, when it will be aggregated with any further amounts credited to the DRP account in respect of the next Dividend or
  - b) Unless paragraph (c) applies, the next Dividend Payment Date on which a Dividend has been declared, when it will be paid to the Participant along with, and (where practicable) by the same means as, the Participant's Dividend, if the DRP has been:
    - terminated by SDF pursuant to these Rules; or
    - suspended by SDF pursuant to these Rules and remains suspended for four or more consecutive Dividend Payment Dates or
  - c) if the Participant has ceased to participate in the DRP in accordance with Rules 10.2(a), (b), or (d), after the last Dividend to be paid in that financial year, at which time the Participant will be taken to have directed SDF to donate the amount on behalf of the Participant to one or more registered charities, as nominated by SDF from time to time. Participants will not be issued with a receipt in connection with such a donation.

- 7.5. No interest will accrue to a Participant in respect of residual positive balances recorded in a Participant's DRP account.

*Issue Price, Average Market Price and Discount*

- 7.6. The Issue Price per Share for a particular Dividend is the Average Market Price, less such Discount, if any, as the Directors may determine, rounded to four decimal places (or such other number decimal places as the Directors may determine).
- 7.7. The Issue Price and any Discount determined by the Directors in respect of this DRP for a particular Dividend Payment Date may differ from the Issue Price and any Discount determined by the Directors in respect of this DRP for any other particular Dividend Payment Date.
- 7.8. The Discount for DRP Shares Allocated on a particular Dividend Payment Date:
- May be nil; and
  - May be varied by announcement on SDF's website and to ASX at any time, but any such variation will not apply to Dividends already announced.

## **8. Issue or transfer of Shares**

- 8.1. In the operation of the DRP for any Dividend Payment Date, SDF may, in its discretion, either issue new Shares or cause existing Shares to be acquired in the market for transfer to Participants, or a combination of both options, to satisfy SDF's obligations under these Rules.
- 8.2. If SDF determines to cause the transfer of Shares to Participants, the Shares may be acquired in the market in such manner as SDF considers appropriate.
- 8.3. All newly issued DRP Shares will, from the date of Allocation, rank equally in all respects with existing Shares and will participate in all Dividends subsequently declared.
- 8.4. DRP Shares will be Allocated within the time required by ASX.
- 8.5. DRP Shares will be registered on the share register on which the Participant already holds Shares or if the Participant holds Shares on more than one share register, on the share register which SDF determines.
- 8.6. SDF will make application promptly after each Allocation of newly issued DRP Shares for quotation of those Shares on ASX.

## **9. Despatch of DRP statements**

- 9.1. As soon as practicable after each Allocation of DRP Shares, SDF will send to each Participant to whom DRP Shares have been Allocated a statement setting out:
- The number of the Participant's Participating Shares at the relevant Dividend Record Date

- b) The Dividend Payment in respect of that Participant's Participating Shares
- c) If applicable, the amount of withholding tax or other amount under Rule 7.3(b) which has been deducted from the Dividend Payment on the Participant's Participating Shares
- d) The amount of residual cash balance carried forward from the previous dividend payment
- e) The number of DRP Shares Allocated to that Participant and the date of Allocation of those DRP Shares
- f) The Issue Price of each DRP Share Allocated to the Participant
- g) The remainder of the Dividend Payment on the Participant's Participating Shares not applied towards DRP Shares (if any) and retained in the Participant's DRP account
- h) The franked amount (if any) of the Dividend Payment and the franking credit (if any) attaching to the Dividend
- i) Subject to any Share transactions in which the Participant may have engaged after the Dividend Record Date, the total number of Participating Shares (including the DRP Shares) which the Participant holds after the Allocation of DRP Shares
- j) The total number of Shares which the Participant holds after the Allocation of DRP Shares
- k) Any other matters required by law to be included in a statement confirming a transaction.

## **10. Variation or termination of Participant's participation**

- 10.1. Subject to Rules 4 and 5.3, a Participant may:
  - a) Vary its participation from Full Participation to Partial Participation or from Partial Participation to Full Participation;
  - b) Maintain its Partial Participation but increase or decrease the number of its Participating Shares; or
  - c) Terminate its participation in the DRP, by submitting a DRP form or instruction in accordance with Rule 2.5 specifying the variation or termination respectively.
  
- 10.2. A Participant is taken to have terminated its participation in the DRP:
  - a) On receipt by the Share Registry of a DRP form or instruction in accordance with Rule 10.1(c)
  - b) On the first Dividend Record Date following registration of a transfer of all of the Participant's Participating Shares
  - c) On termination of the DRP by SDF pursuant to these Rules
  - d) On receipt by SDF of notice of the death, bankruptcy or liquidation of the Participant, except where the Participant was a joint holder and any remaining holder or joint holders are Eligible Shareholders or
  - e) On the Participant ceasing to be an Eligible Shareholder.
  
- 10.3. When a Participant disposes of part of its holding of Shares, and does not notify SDF otherwise, the Shares disposed of will, to the extent possible:
  - a) First, reduce the number of any Non- Participating Shares which the Participant holds (if any) and
  - b) Secondly, reduce the number of any Participating Shares which the Participant

holds (if any).

## **11. Variation, suspension, recommencement and termination of the DRP**

- 11.1. The DRP may be:
- a) Varied (including by variation of these Rules);
  - b) Suspended;
  - c) Recommended; or
  - d) Terminated,
- by SDF at any time.
- 11.2. A variation, suspension, recommencement or termination of the DRP will take effect:
- a) On such date as the Directors determine
  - b) In the case of a suspension, until such time as the Directors resolve either to recommence or terminate the DRP.
- 11.3. Any variation, suspension, recommencement or termination of the DRP will not give rise to any liability on the part of, or right of action against, SDF nor its Directors, officers, employees, representatives or agents.

### *Variation*

- 11.4. If the DRP or these Rules are varied, a Participant continues to participate under the DRP and these Rules in their varied form unless the Participant terminates its participation in the DRP by submitting a DRP form or instruction in accordance with Rules 2.5 and 10.1.

### *Suspension*

- 11.5. If the DRP is suspended, Participants' elections as to participation in the DRP will cease to be effective and all Shares will be deemed to be Non-Participating Shares for the purpose of any Dividend declared while the DRP is suspended. If the DRP remains suspended for four or more consecutive Dividend Payment Dates, then any DRP form or instruction previously lodged by each Participant will be deemed void.

### *Recommencement*

- 11.6. If the DRP is recommenced following a suspension for:
- a) Less than four consecutive Dividend Payment Dates, the Participant's previously suspended DRP form or instruction will be reinstated and be valid and effective in accordance with these Rules for the Purposes of the recommenced DRP, unless determined otherwise by SDF and notified to Participants in accordance with Rule 11.7 or
  - b) Four or more consecutive Dividend Payment Dates, each Participant who wishes to participate in the recommenced DRP must complete and submit a new DRP form or instruction, in accordance with Rule 2.5.

### *Notice*

- 11.7. SDF will give notice of any:
- a) Termination of the DRP to Participants at least one month before the effective date of the termination

- b) Variation of the DRP or these Rules (other than simply an exercise of a discretion, authority or power under these Rules) to Eligible Shareholders at least one month before the effective date of the variation
- c) Suspension or recommencement of the DRP to Participants as soon as reasonably practicable before or after the effective date of the suspension or recommencement.

Such notice may be provided in any manner (including, without limitation, by public announcement, advertisements in any newspapers circulating generally in Australia, notice on SDF's website, announcement to ASX or despatched written or electronic notices) which SDF considers appropriate to bring the termination, variation, suspension or recommencement to the notice of the Participants or Eligible Shareholders, as the case may be, having regard to the nature of the event for which notice is being given.

- 11.8. The accidental omission to give notice of termination, variation, suspension or recommencement to any Participant or Eligible Shareholder or the non-receipt of any notice by any Participant or Eligible Shareholder will not invalidate the termination, variation, suspension or recommencement of the DRP or any Allocation of Shares under the DRP.
- 11.9. SDF will announce the Pricing Period and any discount applicable to the DRP for any dividends payable on a particular Dividend Payment Date at the same time it announces the Dividend.

## **12. Administration of the DRP**

- 12.1. This DRP will be administered by the Directors in accordance with the SDF constitution, the Listing Rules and these Rules. The Directors are authorised under these Rules, and have the discretion to:
  - a) Determine any procedures for admission of the DRP that are consistent with these Rules
  - b) Accept or refuse a DRP form or instruction, without having to give any reason for their decision;
  - c) Resolve conclusively all questions of fact or interpretation in connection with the DRP
  - d) Resolve in such manner as they think expedient any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of the DRP, whether generally or in relation to any Participant or any Shares
  - e) Enter into any underwriting arrangements regarding the DRP that they deem appropriate
  - f) Exercise discretions, authorities or powers (including any power to make a choice, decision, determination, waiver or resolution) of SDF under these Rules
  - g) Delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of any of their discretions, authorities or powers arising under the DRP.
- 12.2. Any discretion, authority or power (including any power to make a choice, decision,

determination or resolution) exercisable by SDF or the Directors under these Rules or by a delegate under Rule 12.1(f):

- a) Is final and binding on the Participants, Eligible Shareholders and any other relevant persons
- b) Is exercisable in the absolute discretion of SDF or the Directors, as they case may be
- c) May be exercised at any time and from time to time.

12.3. Notwithstanding any other provision of the DRP, the DRP will be conducted, and these Rules will be applied, in accordance with the SDF constitution, the Corporations Act and the Listing Rules which will have effect to the maximum extent permitted by law.

### **13. Costs to Participants**

No brokerage, commission or other transaction costs will be payable by Participants in respect of the Allocation of DRP Shares pursuant to these Rules.

### **14. Taxation**

Neither SDF nor its Directors, officers, employees, representatives or agents:

- a) take any responsibility or assume any liability for, or as a consequence of, the tax liabilities of any person in connection with the DRP; or
- b) represent or warrant that any person will gain any taxation advantage or will not incur a taxation liability or disadvantage as a result of participation in the DRP

### **15. Governing Law**

The DRP and these Rules are governed by the laws in force in New South Wales and are to be interpreted in accordance with their spirit, intention and purpose.

### **16. Additional Information**

A copy of SDF's most recent Annual Report and financial statements are available on SDF's website at [www.steadfast.com.au](http://www.steadfast.com.au) or on request by contacting the Share Registry. Contact details for the Share Registry are listed at the back of this booklet.

### **17. Interpretation**

In these Rules, unless the contrary intention appears:

- a) A reference to a Rule is a reference to a Rule in these Rules;
- b) A reference to this DRP or these Rules includes any variation or replacement of them;
- c) Law means common law, principles of equity, and laws made by an Australian parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- d) The singular includes the plural and vice versa;
- e) The word person includes a firm, a body corporate, an unincorporated association or an

- authority;
- f) A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation) and assigns;
  - g) A reference to the exercise of a power or discretion includes a decision not to exercise the power or discretion;
  - h) The meaning of general words is not limited by specific examples introduced by "including", "for example" or "such as" or similar expressions; and
  - i) Headings are inserted for convenience and do not affect the interpretation of these Rules.

## Glossary

In these Rules and this booklet, the following words and expressions have the meanings indicated unless the contrary intention appears.

Allocation	The issue of new Shares to Participants under the DRP or transfer of Shares acquired in the market for the purposes of the DRP to Participants under the DRP, as the case may be. "Allocate" and "Allocated" have a corresponding meaning.
ASX	Australian Securities Exchange Limited.
ASX Settlement Operating Rules	The rules of ASX Settlement, as in force from time to time.
Average Market Price	The daily volume weighted average sale price per Share of Shares sold on the ASX during the Pricing Period in the ordinary course of trading on ASX (including the closing single price auction), but excluding any transaction defined in the ASX Operating Rules as "special" crossings prior to the commencement of the open session state, crossings during overnight trading (ie following the closing single price auction), any overseas trades or trades pursuant to the exercise of options over Shares, and any other sales which the Directors consider may not be fairly reflective of natural supply and demand.
Business Day	A day other than a Saturday, Sunday or public holiday in New South Wales.
Corporations Act	Corporations Act 2001 (Cth), including any waivers of, modifications to, or other form of relief from, provisions of the Corporations Act, applicable to the DRP from time to time.
Directors	The directors of SDF acting either as a board or a duly appointed committee of the board.
Discount	The discount, if any, expressed as a percentage, to the Average Market Price, determined by the Directors to be applied in calculation of the Issue Price in respect of the DRP for Dividends payable on a particular Dividend Payment Date.
Dividend	Any dividend per Share announced and payable by SDF.
Dividend Payment	In relation to each Shareholder, the Dividend multiplied by the number of Shares held by that Shareholder, less any withholding tax deductible by SDF or any other amounts SDF is entitled or required to deduct from the Dividend.
Dividend Payment Date	The date on which a Dividend is payable, as announced by SDF.
Dividend Record Date	The dates and time, as determined by the Directors and announced to ASX, at which a person holds or is taken to hold Shares for the purpose of determining the entitlement of Shareholders to Dividends.

DRP	SDF's Dividend Reinvestment Plan to which these Rules apply and as varied from time to time.
DRP Shares	Shares which a Participant acquires under the DRP in lieu of receiving a Dividend Payment by direct credit, either by way of allotment of newly issued Shares or transfer of Shares purchased on a Participant's behalf in the market.
Eligible Shareholder	See Rule 2.2
Full Participation	A degree of participation in the DRP under which all of a Participant's Shares from time to time, including Shares subsequently acquired by the Participant, under the DRP or otherwise, will be designated Participating Shares.
Issue Price	In respect of a Share for a particular Dividend, the Average Market Price, less any applicable Discount, rounded to four decimal places (or such other number of decimal places as the Directors may determine).
Listing Rules	The Listing Rules of ASX (including the ASX Operating Rules), including any waivers or modifications of the Listing Rules applicable to SDF.
Non-Participating Shares	Shares which a Participant has not nominated for participation in the DRP or which have ceased to be Participating Shares.
Partial Participation	A degree of participation in the DRP where a Participant specifies the number of its Shares (which is less than the total number of Shares held by that Participant) that will be designated as Participating Shares.
Participant	In respect of a particular Dividend, an Eligible Shareholder who participates in the DRP. Where an Eligible Shareholder holds more than one holding, the Shareholder is treated as a separate Participant for each holding.
Participating Shares	Subject to Rule 4, Shares which a Participant has validly nominated for participation in the DRP.
Pricing Period	In respect of a particular Dividend Payment Date, such period as the Directors may determine, being a period of not less than five Trading Days commencing on such date as the Directors may determine. The Pricing Period determined by the Directors in respect of Dividends payable on a particular Dividend Payment Date may differ from the Pricing Period determined by the Directors in respect of Dividends payable on any other particular Dividend Payment Date.

Rules	These rules of the DRP as varied from time to time.
Shareholder	A person registered at the relevant Dividend Record Dates as a holder of Shares.
Shares	Fully paid ordinary shares in SDF, and any other shares issued by SDF that the Directors decide are eligible for participation in the DRP.
Share Registry	Link Market Services Limited or any other share registry that maintains the Share Register of SDF.
SDF	Steadfast Group Limited ABN 98 073 659 677
Trading Day	A full day on which the Shares are quoted, and not suspended from quotation or made subject to a trading halt, on ASX, and which falls within the definition of "trading day" in the Listing Rules.

## Corporate Directory

### Registered Office

Steadfast Group Limited  
Level 3  
99 Bathurst Street  
Sydney NSW 2000  
[www.steadfast.com.au](http://www.steadfast.com.au)

### Share Registry

Link Market Services Limited  
Level 12, 680 George Street  
Sydney South NSW 2000  
Telephone: +61 1800 645 237  
Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)