

NOTICE OF CIRCULATING RESOLUTION AND EXPLANATORY STATEMENT

**Issued by A.C.N. 603 303 126 Pty Ltd (ABN 98 603 303 126) (Administrators appointed)
trading as Axesstoday
in relation to proposed Circulating Resolutions of Noteholders of its Australian Dollar
Subordinated Notes due 9 October 2021
ISIN: AU3FN0029096**

Date: 19 August 2019

This is an important document and requires your immediate attention. You should read this document in its entirety before deciding how to vote and, if necessary, consult your legal, investment, taxation or other financial adviser without delay.

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NOTICE OF CIRCULATING RESOLUTIONS

19 August 2019

Dear Noteholder

NOTICE OF CIRCULATING RESOLUTION OF NOTEHOLDERS

We provide you with this Notice of Circulating Resolutions in relation to the DOCA Resolutions proposed by the Issuer for consideration and approval by Noteholders.

PURPOSE

The purpose of the DOCA Resolutions are to seek and, if passed, to provide instructions from Noteholders to the Note Trustee relating to the DOCA and payment of the fees, costs and expenses in connection with the administration of the AXL Entities and, if approved, effectuating the DOCA.

Information on the DOCA Resolutions is set out below and in the Explanatory Statement (of which this Notice of Circulating Resolutions forms part).

SPECIAL RESOLUTIONS

1 Resolution 1: DOCA

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“That, pursuant to the Meeting Provisions:

- (a) *the Note Trustee is instructed to vote in favour of the DOCA at the Second Creditors Meeting in respect of all Notes;*
- (b) *approval is given for the Notes to be redeemed:*
 - (i) *otherwise than in accordance with the terms of the Note Conditions;*
 - (ii) *on any date as notified by the Administrators to the Note Trustee (which may be a date prior to the next Interest Payment Date); and*
 - (iii) *for an amount equal to the face value of the Notes plus interest accruing up to and including the date of redemption (but excluding Default Interest and any early prepayment fee accrued or accruing or as otherwise payable as at that date) (such amount being the **Payment Amount**);*
- (c) *approval is given for the AXL Entities to enter into the DOCA;*
- (d) *the Note Trustee is instructed to accept the Payment Amount in full and final satisfaction of the Issuer’s and each Initial Guarantor’s obligations and liabilities under the Note Trust Deed and Note Conditions;*
- (e) *approval is given, subject to payment of the Payment Amount by or on behalf of the Issuer to the Note Trustee:*
 - (i) *for the Note Trustee to discharge and release the Issuer and the Initial Guarantors from all liabilities, obligations and covenants under the Note Trust Deed and Note Conditions;*

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- (ii) *to terminate the Note Trust Deed; and*
- (iii) *notwithstanding clause 19 of the Note Trust Deed, the Note Trustee is instructed to execute a confirmation of release in favour of the Issuer and each Initial Guarantor and to terminate the Note Trust Deed;*
- (f) *the Note Trustee is instructed and authorised to provide any approval, consent, waiver and/or release, and to enter into any document, deed, or any other arrangement, and/or do any other thing, in each case which is necessary and/or desirable in order for the DOCA to be effectuated; and*
- (g) *other than as set out in the preceding resolutions, the Note Trustee is instructed to take no action under the Note Conditions 14.4(b) or 14.6 with respect to any Event of Default subsisting prior to completion of the DOCA.”*

2 Resolution 2: Fees

To consider and, if thought fit, pass the following resolution as a Special Resolution:

“That pursuant to the Meeting Provisions, the Note Trustee is instructed to vote in favour of each of the resolutions put to creditors of the AXL Entities at the Second Creditors Meeting in respect of:

- (a) *the fees, costs and expenses payable to each of the Administrators, the deed administrators (if the DOCA is entered into) and the trustees of the creditors’ trust to be established under the DOCA (if the DOCA is entered into); and*
- (b) *the disbursements payable during the administration of the AXL Entities,*

in each case provided that the amounts specified in the resolutions at the Second Creditors Meetings (and for which the Administrators seek approval) are within the ranges specified in the Explanatory Statement.”

Dated 19 August 2019



Vaughan Strawbridge,
Joint and several administrator, **A.C.N. 603 303 Pty Ltd (Administrators Appointed)**

NOTES TO NOTICE OF CIRCULATING RESOLUTIONS OF NOTEHOLDERS

1 Materials accompanying this Notice

The following materials accompany this Notice of Circulating Resolutions:

- (a) Explanatory Statement;
- (b) form of Circulating Resolution for Austraclear to sign; and
- (c) Instruction Form.

2 Defined terms

Terms defined in this Notice will, unless the context requires otherwise, have the meaning given to them in the Glossary in the Explanatory Statement.

3 Required majorities

Each of the DOCA Resolutions must be passed as a Special Resolution, meaning that Noteholders representing at least 75% of the principal amount outstanding of the Notes as at the Notification Date must vote in favour of the DOCA Resolutions for them to be passed.

4 Eligibility to instruct

Only those Austraclear Participants in whose Austraclear Security Record the Notes appear immediately after the Austraclear System closes on the Record Date (**Austraclear Holders**) will be entitled to instruct Austraclear to vote in favour of the Special Resolutions set out in the Circulating Resolution at Annexure A.

If you are a beneficial holder, being a person with a beneficial interest in Notes on the Record Date (but are not recorded as the holder of those Notes in the Austraclear Security Record), you must direct the Austraclear Holder in whose Security Record the Notes in respect of which you have that beneficial interest are recorded to complete the Instruction Form attached at Annexure B.

5 How to instruct

Austraclear is recorded in the register as the sole Noteholder for the Notes.

As the Austraclear Holders are not the registered holders of the Notes, Austraclear Holders are not required to sign a Circulating Resolution approving the DOCA Resolutions. Instead, each Austraclear Holder is required to instruct Austraclear as to how it wishes Austraclear to vote on each of the DOCA Resolutions in respect of the Notes it holds. Only Austraclear is entitled to sign the Circulating Resolution. Austraclear will approve the DOCA Resolutions and sign the Circulating Resolutions, as the Noteholder, on the instructions of the Austraclear Holders.

To instruct Austraclear, each Austraclear Holder needs to sign and return the Instruction Form enclosed with this Notice of Circulating Resolution.

If such number of Austraclear Holders as represents at least 75% of the principal amount outstanding of the Notes as at the Notification Date instruct Austraclear to vote in favour of the DOCA Resolutions, Austraclear, being the registered holder of the Notes, will execute the Circulating Resolution set out at Annexure A of the Explanatory Statement (on its letterhead) as evidence of the DOCA Resolution(s) having being passed as a Circulating Resolution.

6 Lodgement of Instruction Form

To be effective, the Instruction Form must be received by BNY Mellon, the Note Trustee, by no later than **5.00pm (Sydney time) on Tuesday 27 August 2019**:

- (a) by fax to +61 2 9262 6009; or

(b) by email to pei.caipan@bnymellon.com.

An Instruction Form is irrevocable once received unless otherwise agreed by the Issuer and the Administrators.

7 Additional information

For any questions about the DOCA or the effect of the DOCA Resolutions, Noteholders should contact axesstoday@deloitte.com.au.

If you have any queries relating to the process and administrative aspects of the Circulating Resolutions, you should contact pei.caipan@bnymellon.com.

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WHAT IS THIS DOCUMENT?

This Explanatory Statement provides information to assist Noteholders in considering and voting on the DOCA Resolutions to be put to Noteholders.

It is noted that each Noteholder's interests in the Notes are recorded in an Austraclear Security Record for each Noteholder.

This is an important document and should be read carefully. The Explanatory Statement comprises part of, and should be read in conjunction with, the Notice of Circulating Resolutions.

DEFINED TERMS

Terms used in this Notice of Circulating Resolution have the meaning given in the section entitled "Glossary" on page 17.

RESPONSIBILITY FOR INFORMATION

This Explanatory Statement has been prepared by the Administrators on behalf of the Issuer.

No person has been authorised to give any information or make representations in connection with the DOCA Resolutions and the DOCA other than the information and representations contained in this Explanatory Statement. Except as expressly stated in this Explanatory Statement, no persons have been authorised to make any representation or warranty, express or implied as to the accuracy or completeness of the Explanatory Statement.

NO INVESTMENT ADVICE

The information contained in this Explanatory Statement does not constitute financial product or investment advice, and has been prepared without reference to any Noteholder's particular investment objectives, financial situation, taxation position, and needs.

None of the Administrators, Issuer, the Note Trustee, the Security Trustee or any other person is providing any taxation, legal or other advice regarding consent to the proposed DOCA Resolutions.

It is **important** that you read the Explanatory Statement (including the Notice of Circulating Resolution) in its entirety before making any decision on how to instruct Austraclear how to vote on the DOCA Resolutions. If you are in any doubt, you should consult your own professional advisers and make (and shall be taken to have made) your own independent investigation as to the suitability of the DOCA Resolutions in light of your own particular circumstances.

None of the Administrators, the Note Trustee or the Security Trustee expresses any opinion about the terms of the DOCA Resolutions or makes any recommendation as to whether to vote in favour of or against or how to vote in respect of the DOCA Resolutions. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or reliability of the information contained in this Explanatory Statement, or as to the reasonableness of any assumption contained in this Explanatory Statement.

This Explanatory Statement does not constitute an offer of securities in any jurisdiction in which it would be unlawful. In particular, this Explanatory Statement may not be distributed to any person, and the Notes may not be offered or sold, in any country outside Australia.

FORWARD LOOKING STATEMENTS

Any forward looking statements contained in this Explanatory Statement have been based on expectations at the date of preparation of this Explanatory Statement about future events. The forward looking statements included in this Explanatory Statement may generally be identified by use of forward looking words such as *believe, aim, expect, anticipate, intending, foreseeing, likely, should, planned, may, estimate, potential* or other similar words. Similarly, statements that describe the Administrators or the Issuer's objectives, plans, goals or expectations are, or may be, forward looking statements. Forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause actual results to differ materially from the expectations. Nothing contained in this Explanatory Statement is, or may be relied on as, a promise or representation as to the accuracy or

likelihood of fulfilment of any forward looking statements, except to the extent required by law. You are therefore cautioned not to place undue reliance on any such forward looking statements.

Subject to any obligations under the Corporations Act, the Administrators do not give any undertaking to update or revise any forward looking statements after the date of this Explanatory Statement to reflect any change in expectations in relation thereto or any change in events, conditions or circumstances on which any such statement is based.

FORM OF APPROVAL

A written resolution signed by or on behalf of Noteholders of not less than 75% of the aggregate principal amount of the Notes outstanding as at the Notification Date shall, for all purposes, also be as valid and effective as a Special Resolution passed at a meeting of Noteholders duly convened and held in accordance with the Meeting Provisions.

Each DOCA Resolution must be passed as a Special Resolution.

As Austraclear is the sole registered holder of the Notes, only Austraclear may sign a Circulating Resolution. However, as Austraclear is a nominee, Austraclear Holders are required to instruct Austraclear how to vote in respect of the DOCA Resolutions in respect of the Notes.

By submitting an Instruction Form in favour of one or more of the DOCA Resolutions, an Austraclear Holder is irrevocably instructing Austraclear, in its capacity as registered holder of the Notes, to sign the Circulating Resolution if holders of at least 75% of the aggregate principal amount Notes outstanding as at the Notification Date have submitted an Instruction Form in favour of that DOCA Resolution at any time prior to the Closing Date.

The Issuer will notify the Noteholders if and when each DOCA Resolution has been passed. Each DOCA Resolution will take effect on and from the date it is passed.

If a Special Resolution in respect of the Notes is passed then each Noteholder (including Austraclear Holders) will be bound by that Special Resolution, irrespective of whether such Noteholder voted in favour of, rejected or voted against or abstained from voting on that Special Resolution or otherwise took no action or gave no instructions in respect of that Special Resolution.

QUESTIONS

If you have any questions in relation to the matters set out in this Explanatory Statement, you should contact axsesstoday@deloitte.com.au.

DATE

The Notice of Circulating Resolution is dated 19 August 2019.

KEY DATES

Event	Date*
Notification Date	19 August 2019
Record Date	Friday 16 th August 2019
Closing Date (the date by which the Instruction Forms must be received by the Note Trustee)	5.00pm (Sydney time) on 27 August 2019
Austraclear signs the Circulating Resolution	28 August 2019, or such earlier date if sufficient Instruction Forms to pass the DOCA Resolutions are received prior to that date.
Notification to Noteholders of the voting outcome of the DOCA Resolutions	On or about 2 September 2019 or such earlier time if the DOCA Resolutions have been passed
Second Creditors Meeting	30 August 2019
Notification to Noteholders of the outcome of the Second Creditors Meeting	Promptly following the closure of the Second Creditors Meeting (and in any event within five Business Days of the Second Creditors Meeting)

**Dates and times are indicative only and may be subject to change. Unless otherwise specified, all dates refer to Melbourne time.*

EXPLANATORY STATEMENT

Overview

The information in this section is a brief summary of the reasons for the DOCA Resolutions being requested by the Administrators on behalf of the Issuer to assist Austraclear Holders in determining how to instruct Austraclear to vote on the DOCA Resolutions. It is not a substitution for the report to creditors' that the Administrators will provide pursuant to section 439A of the Corporations Act.

This Explanatory Statement should be read carefully in conjunction with the remainder of the Notice of Circulating Resolution. Capitalised terms used in this Explanatory Statement and not otherwise defined are defined in the Glossary.

Background

On 7 April 2019, Vaughan Strawbridge, Glen Kanevsky and Sal Algeri, partners of Deloitte Financial Advisory Pty Ltd were appointed as joint and several administrators of:

- the Issuer;
- Axesstoday Limited (Administrators Appointed) (ACN 603 323 182);
- Axesstoday Operations Pty Ltd (Administrators Appointed) (ACN 604 340 785); and
- Axesstoday Retail Pty Ltd (Administrators Appointed) (ACN 161 130 696).

Since the Appointment Date, the Administrators have continued to trade the Axesstoday business on a business as usual basis while pursuing a sale and/or recapitalisation of the Group (**Process**).

As advised to creditors on 6 June 2019, a number of non-binding indicative offers relating to sale and/or recapitalisation of the Group were received in the first stage of the Process. The Administrators subsequently shortlisted parties who had provided offers for the whole of the Group's business to undertake further due diligence, with a view to submitting binding offers by Friday 5 July 2019.

Following a review of the offers received, including (but not limited to) the value attributed to the Group's business expressed by parties in the Process, financing considerations and execution certainty, the Administrators entered into an exclusivity arrangement with an affiliate of Cerberus on 1 July 2019 to finalise and negotiate Cerberus's proposal for the acquisition and recapitalisation of the Group's business.

DOCA proposed by Cerberus

During this exclusivity period, the Administrators finalised the terms on which Cerberus proposes to acquire all of the assets of the Group used in the business by way of a deed of company arrangement. The Administrators have entered into an implementation deed with an affiliate of Cerberus pursuant to which that entity will propound the DOCA at the Second Creditors Meeting.

The Administrators and Cerberus are working towards a completion date under the DOCA in relation to the AXL Entities (other than Axesstoday Limited (Administrators Appointed) of 13 September 2019. The actual date of completion of the DOCA in respect of those entities will however be subject to the timing of the second creditors meeting and satisfaction of various conditions precedent under the DOCA, amongst other things. The DOCA has a sunset date of 13 September 2019, by which time the DOCA will need to have been effectuated in relation to the AXL Entities (other than Axesstoday Limited (Administrators Appointed) or the DOCA will terminate. The parties may agree to extend the sunset date, but are under no obligation to do so.

Second Creditors Meeting

The creditors of the AXL Entities will be voting upon, amongst other things, the DOCA and whether it should be implemented, at the Second Creditors Meeting. The Administrators are requesting that the

Noteholders pass the DOCA Resolutions in order to instruct the Note Trustee how to vote on behalf of the Noteholders at the Second Creditors Meeting.

Impact of the DOCA on Noteholders

Under the DOCA, subject to the DOCA Resolutions set out in the Notice of Circulating Resolutions being passed and the DOCA approved by the AXL Entities' creditors, Noteholders will be entitled to:

- full repayment of outstanding principal in respect of their Notes; and
- full payment of all accrued interest that the Noteholders would have been entitled to had Administrators not been appointed to the Group on the Appointment Date, accruing up to (and including) the completion date under the DOCA.

Subject to the DOCA Resolutions being approved by the requisite majorities and the DOCA being effectuated, Noteholders **will not** receive any Default Interest or any early repayment fees in respect of their Notes which would otherwise have been payable to them in respect of those Notes. The early prepayment fee that you **will not** receive, but which would have otherwise been payable, was 3% of the face value of the Notes, and any default interest (if applicable) would have been calculated at an additional rate of 8.50% per annum plus the 90 day BBSW Rate.

Treatment of other creditors of the AXL Entities under the DOCA

In addition to the repayment of all principal and accrued interest of the Noteholders, the DOCA also provides for:

- the repayment of all principal and accrued interest (excluding any Default Interest and early repayment fees) of the Series 2 Notes;
- the full repayment of all senior secured bank debt of the Group;
- the full repayment of the Class A Noteholder in the Axesstoday Equipment Warehouse Trust; and
- the payment of a dividend to unsecured creditors that is estimated to be higher than what unsecured creditors would otherwise receive if the Group was placed into liquidation.

Other information in respect of the DOCA

The Administrators will be providing all creditors with further information in respect of the DOCA as part of their report to creditors pursuant to section 439A Corporations Act. This will include more details as to the estimated return to unsecured creditors.

Alternatives for Noteholders if the DOCA Resolutions are not passed and the DOCA is not approved

If the DOCA Resolutions are not passed, and the DOCA is not approved by creditors, in the absence of an alternative proposal, it is likely that a run-off of the Group's loan portfolio and liquidation of the assets of the Group would be pursued.

The Administrators currently estimate that, in a run-off and liquidation scenario, Noteholders may still receive full repayment of their Notes and accrued interest.

However, the timing of Noteholders receiving any repayments would be substantially delayed. It is currently estimated that:

- principal repayments for Series 2 Noteholders in a run-off and liquidation scenario would not commence until at least June 2020, with full repayment of Series 2 Noteholder claims occurring by no earlier than March 2021; and
- principal repayments for Subordinated Noteholders in a run-off and liquidation scenario would not commence until at least March 2021, with full repayment of Subordinated Noteholder claims

occurring by no earlier than June 2022, and potentially later depending upon how the residual assets and loan portfolio of the Group was realised at that date.

These figures and timeframes are estimates only. It is difficult to estimate the actual outcome creditors would realise through a run-off of the Group's loan portfolio and liquidation of its assets. There are a range of uncertainties and potential developments that could adversely impact the quantum and timing of any such recovery for creditors. In particular, the estimates outlined above are dependent upon the cumulative losses in the Group's loan portfolio deteriorating by no more than a further 5% in aggregate, compared to current estimates and performance trends, as well as a range of other assumptions regarding the nature of the run-off and liquidation.

There is a real risk that performance could deteriorate beyond the levels the Administrators have estimated. Therefore, the Administrators cannot guarantee that the Noteholders would receive full repayment of their Notes if a run-off and liquidation scenario was pursued, nor that the timing of any recoveries would align to the estimates provided above.

Alternatives for Noteholders if the DOCA Resolutions are not passed but the DOCA is approved

It is possible that the DOCA may be passed even where the Noteholders have not instructed the Note Trustee to vote in favour of the DOCA, and the Note Trustee has either abstained from voting or voted against the DOCA. In those circumstances, the Administrators and Cerberus would need to meet to discuss how the DOCA may be effectuated. There is no assurance that the DOCA could be effectuated in those circumstances, as it would require both Cerberus and the Administrators to agree to changes to the DOCA.

What are the DOCA Resolutions?

To instruct the Note Trustee how to vote on the resolutions being put to creditors at the second creditors' meeting, and to give effect to the terms of the DOCA, the Administrators, on behalf of the Issuer, are putting certain Special Resolutions (being the DOCA Resolutions) to Noteholders which are set out in the Notice of Circulating Resolution.

A high-level outline of each DOCA Resolution is set out below.

Resolution 1 – DOCA

The first Special Resolution being put to Noteholders relates to entering into the DOCA and giving effect to the transactions contemplated by the DOCA. There are multiple limbs of the one Special Resolution, which are further explained below.

(a) Early redemption

Under the Note Trust Deed any proposal to compromise any of the rights of Noteholders or change the redemption of any Notes requires a Special Resolution to be passed.

As outlined above, under the DOCA, Noteholders would be repaid on a date other than an Interest Payment Date and would receive an amount equal to the principal owing in respect of their Notes plus interest accruing up to and including the date of redemption (but excluding Default Interest and any early repayment fee accrued or accruing or otherwise payable as at that date), being the Payment Amount. The Payment Amount is less than the amount that would otherwise be payable to Noteholders upon a redemption of the Notes in accordance with the Note Trust Deed and Note Conditions, as it does not include Default Interest or any early repayment fees.

As such, the first DOCA Resolution is seeking approval from Noteholders in accordance with the Meeting Provisions to approve the redemption of the Notes under the DOCA otherwise than in accordance with the terms of the Note Conditions.

(b) Entry into the DOCA

Creditors of the AXL Entities will be asked to approve entry into the DOCA by the AXL Entities at the Second Creditors Meeting. As the Note Trustee will be voting on behalf of all Noteholders at the Second Creditors Meeting, approval by way of a Special Resolution is also being sought to

approve the entry into the DOCA by the AXL Entities, so that the Note Trustee may then vote on this resolution at the Second Creditors' Meeting in respect of all the Notes.

(c) **Acceptance of Payment Amount**

Under the terms of the Intercreditor Deed, the Series 2 Notes are entitled to be repaid prior to the Subordinated Notes. As outlined above, under the DOCA, both the Subordinated Noteholders and the Series 2 Noteholders would be repaid simultaneously and would receive an amount equal to the principal owing in respect of their Notes plus interest accruing up to and including the date of redemption (but excluding Default Interest and any early repayment fee accrued or accruing or otherwise payable as at that date).

The Noteholders are asked to instruct the Note Trustee to accept the Payment Amount in full and final satisfaction of the Issuer and Initial Guarantors' obligations (including in relation to all amounts owing) under the Note Trust Deed and Note Conditions.

(d) **Release and termination of Note Trust Deed**

Clause 19 of the Note Trust Deed provides that the Issuer and each Initial Guarantor (being the other AXL Entities) will be immediately discharged and released from their liabilities, obligations and covenants under the Note Trust Deed when:

- (i) the Face Value for each Note, Interest and any accrued but not yet due and payable interest and any unpaid interest as at that date have been paid in full or otherwise Redeemed or satisfied (such amount being **Total Claim**);
- (ii) the Issuer has provided an Officer's Certificate stating that the Face Value for each Note, Interest and any accrued but not yet due and payable interest and any unpaid interest as at that date have been paid in full or otherwise Redeemed or satisfied;
- (iii) the Issuer has furnished to the Note Trustee a statement in writing that it does not intend to create any Notes in the future under the Note Trust Deed; and
- (iv) all fees and expenses properly incurred by the Note Trustee have been paid.

As the Payment Amount that would be received under the DOCA (if it is approved and effectuated) is less than the Total Claim (as it does not include any Default Interest or early prepayment fee), and as the AXL Entities are in administration, it is proposed that clause 19 of the Note Trust Deed not apply, and that the Note Trustee be separately authorised to discharge and release the Issuer and Initial Guarantors.

As such, one of the limbs of the DOCA Resolutions is also seeking approval from Noteholders, subject to payment of the Payment Amount, to:

- (i) discharge and release the Issuer and the Initial Guarantors from their liabilities, obligations and covenants under the Note Trust Deed and Note Conditions and terminate the Note Trust Deed; and
- (ii) notwithstanding clause 19 of the Note Trust Deed, instruct the Note Trustee to execute a confirmation of release in favour of the Issuer and each Initial Guarantor and to terminate the Note Trust Deed.

(e) **Support of DOCA**

Approval is also being sought to instruct and authorise the Note Trustee to provide any approval, consent and/or waiver or release, and to enter into any document, deed, or any other arrangement,

and/or do any other thing, in each case which is necessary and/or desirable in order for the DOCA to be effectuated.

(f) **No action**

The Administrators were appointed to the AXL Entities on the Appointment Date. This constitutes an “Insolvency Event” as defined in the Note Conditions, and accordingly an Event of Default under Condition 14.3 of the Note Conditions is subsisting.

As such, as part of the DOCA Resolutions, Noteholders are being asked to instruct the Note Trustee to take no action with respect to any Event of Default subsisting that is inconsistent with effectuation of the DOCA.

Resolution 2 – Fees

The second Special Resolution is seeking approval in relation to the fees incurred by the Administrators and, if the DOCA is entered into, the deed administrators of the AXL Entities and trustee of the creditors’ trust established under the DOCA.

Approving these fees will involve separate resolutions for each of the stages under which fees, costs and expenses have been incurred, or are estimated to be incurred, being put to creditors at the Second Creditors Meeting for approval. The Administrators have estimated these fees, costs and expenses, and those estimates are set out below.

This Special Resolution is being put to Noteholders to instruct the Note Trustee to approve the resolutions relating to categories of fees, costs and expenses set out below when the same resolution(s) is put to creditors’ at the Second Creditors Meeting, provided however that the amounts for which approval is sought at the Second Creditors Meeting are not more than the estimate specified in this Explanatory Statement. The categories of fees, costs and expenses are as follows:

- (a) the fees incurred during the period of the administration of the AXL Entities from the Appointment Date until the date of the Second Creditors Meeting;
- (b) if the creditors approve entry into the DOCA, the estimate of the fees, costs and expenses for the period between the date of the Second Creditors Meeting until the DOCA is executed;
- (c) the estimate for the fees, costs and expenses for the period the AXL Entities are subject to the DOCA;
- (d) the estimate of the fees, costs and expenses to be incurred and/or charged by the Trustee under the creditors’ trust established pursuant to the DOCA; and
- (e) the estimate of the disbursements payable by the Administrators during the period of administration of the AXL Entities.

Administrators’ estimate of fees

The Administrators’ estimate of fees, costs and expenses for each category are set out in the table below:

Category / Period	Estimate (excluding GST)
Fees incurred from the Appointment Date until the Date of the Second Creditors’ Meeting	\$3.5 million
Fees incurred for the period between the Second Creditors Meeting until the DOCA is executed (if approved)	\$0.35 million

Fees incurred for the period in which the AXL Entities are subject to the DOCA	\$0.70 million
Fees to be incurred and/or charged by the trustee under the creditors' trust established by the DOCA	\$0.75 million
Estimate of disbursements payable by the Administrators during the period of	\$0.20 million
Total	\$5.50 million

What actions are Noteholders/Austraclear Holders required to take?

As Austraclear is the registered holder of the Notes, each Austraclear Holder is required to instruct Austraclear as to how it wishes to vote on each of the DOCA Resolutions in respect of the Notes it holds. Austraclear will approve the DOCA Resolutions set out in Annexure A, as the sole registered Noteholder, on the instructions of Austraclear Holders on whose behalf it holds the Notes as nominee.

Only those Austraclear Participants in whose Austraclear Security Record the Notes appear immediately after the Austraclear System closes on the Record Date (**Austraclear Holders**) will be entitled to instruct Austraclear to vote in favour of the Special Resolutions set out in the form of Circulating Resolution at Annexure A.

A person with a beneficial interest in the Notes must direct the Austraclear Holder in whose Security Record the Notes in respect of which that person has that beneficial interest are recorded to complete the Instruction Form set out in Annexure B.

The DOCA Resolutions will be determined by a Circulating Resolution with respect to the Notes. The DOCA Resolutions will be passed if the Circulating Resolution at Annexure A is signed by Austraclear as the sole Noteholder acting on the instructions of Austraclear Holders who represent (in aggregate) at least 75% of the principal amount of outstanding Notes as at the Notification Date.

The form of instruction required to be completed by Noteholders is set out at Annexure B.

If Austraclear receives instructions from the requisite number of Austraclear Holders to pass each DOCA Resolution, Austraclear will then sign the written circulating resolution on behalf of all Austraclear Holders.

It is important that you provide your written responses to the DOCA Resolutions as soon as possible, and in all cases **no later than 5.00 pm on 27 August 2019**. If your written responses are not received by this date, they will not be counted.

What happens if I don't give instructions, or instruct Austraclear to not vote in favour of the DOCA Resolutions in respect of my Notes?

If you do not give instructions, or instruct Austraclear to vote against the DOCA Resolutions, then the DOCA Resolutions may not be approved. If the requisite majority of Austraclear Holders do not instruct Austraclear to vote in favour of the DOCA Resolutions, the Note Trustee will not be able to vote in favour of the resolutions at the Second Creditors' Meeting. Depending on how other creditors vote at that meeting, the DOCA may not be approved.

However, if the DOCA Resolutions are approved by Noteholders, even if you did not provide instructions to Austraclear, or instructed Austraclear to vote against the DOCA Resolutions in respect of your Notes, you will be bound by the DOCA Resolutions and the DOCA, if approved by creditors.

Do I need to attend and vote at the Second Creditors Meeting?

Noteholders do not need to attend the Second Creditors Meeting. The Note Trustee will attend and vote on behalf of all Notes. If the requisite number of Noteholders instruct Austraclear to sign the Circulating

Resolution to approve the DOCA Resolutions, then the Note Trustee will vote in favour of the resolutions at the second creditors' meeting.

Further information

If you have any questions in relation to the DOCA Resolutions, please contact axesstoday@deloitte.com.au.

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GLOSSARY

Terms used but not otherwise defined in this Notice have the meaning given to them in the Note Conditions. Terms not defined in the Note Conditions or this Notice have the meaning given to them in the Austraclear Regulations.

Administrators		Vaughan Strawbridge, Glen Kanevsky and Sal Algeri in their capacities as joint and several administrators of the AXL Entities.
Appointment Date		7 April 2019.
Austraclear		Austraclear Ltd (ABN 94 002 060 773).
Austraclear Holders		Austraclear Participants in whose Austraclear Security Record the Notes appear immediately after the Austraclear System closes on the Record Date.
Austraclear Regulations		Has the meaning given to that term in the Note Conditions.
AXL Entities		Each of: <ul style="list-style-type: none">• the Issuer;• Axesstoday Limited (Administrators Appointed) (ACN 603 323 182);• Axesstoday Operations Pty Ltd (Administrators Appointed) (ACN 604 340 785); and• Axesstoday Retail Pty Ltd (Administrators Appointed) (ACN 161 130 696).
Axesstoday Note Trust	Second	The note trust constituted under the Series 2 Note Trust Deed and established in favour of holders of the Series 2 Notes.
Axesstoday Security Trust	Second	The security trust constituted under the Security Trust Deed and established in favour of the holders of the Series 2 Notes.
Cerberus		Cerberus Capital Management, L.P.
Circulating Resolution		A written resolution of Noteholders made in accordance with paragraph 10 of the Meeting Provisions.
Closing Date		5.00pm (Sydney time) on 27 August 2019.
Corporations Act		<i>Corporations Act 2001</i> (Cth).
Deed Proponent		Promontoria Holding 304 B.V., a company established in the Netherlands.
Default Interest		Any and all interest which has accrued or is otherwise payable at a higher rate than the Interest Rate (and includes all interest which has accrued or is otherwise payable at the default rate specified in Condition 14.4. It does not include interest which has accrued at the Interest Rate.

DOCA	The deed of company arrangement to be propounded by the Deed Proponent and to which the AXL Entities and the Administrators will also be a party.
DOCA Resolutions	Each of the resolutions set out in the Notice of Circulating Resolution.
Explanatory Statement	This Explanatory Statement, including the Notice of Circulating Resolution.
Group	Axesstoday Limited (Administrators Appointed) ACN 603 323 182 and its subsidiaries.
Information Memorandum	The Information Memorandum dated 7 October 2015, as supplemented by the Pricing Supplement dated 7 October 2015, the Supplemental Information Memorandum dated 27 September 2016 as supplemented by the Pricing Supplement dated 27 September 2016 and the Supplemental Information Memorandum dated 22 June 2017 as supplemented by the Pricing Supplement dated 22 June 2017.
Instruction Form	The Instruction Form set out in Annexure B.
Intercreditor Deed	The Intercreditor Deed dated 28 April 2017 between the Issuer, the Initial Guarantors, the First Senior Security Trustee (as referred to therein), the Note Trustee and the Security Trustee, and the Second Senior Parties (as referred to therein).
Interest Rate	The interest rate specified in the Pricing Supplement.
Issuer	A.C.N. 603 303 126 Pty Ltd (Administrators Appointed) trading as Axesstoday.
Meeting Provisions	The provisions for meetings of the Noteholders set out in Schedule 5 ("Meeting Provisions") of the Note Trust Deed.
Note Conditions	The terms and conditions of the Notes as set out in the Information Memorandum.
Note Trust Deed	The Note Trust Deed dated 7 October 2015 between the Issuer, each Initial Guarantor and the Note Trustee, establishing the Axesstoday Note Trust.
Note Trustee	BNY Trust Company of Australia Limited (ABN 49 050 294 052) as trustee for the Axesstoday Note Trust constituted by the Note Trust Deed.
Noteholders	The persons whose names are entered in the register of Notes as the holder of the Notes, being Austraclear as at the date of this notice.
Notes	A\$50,000,000 Floating Rate Subordinated Notes due 9 October 2021 (ISIN AU3FN0029096)
Notice of Circulating Resolution or Notice	The Notice of Circulating Resolution accompanying this Explanatory Statement.

Notification Date	19 August 2019, being the date of this Notice.
Payment Amount	An amount equal to the face value of the Notes plus interest accruing up to and including the date of redemption (but excluding Default Interest and any early prepayment fee accrued or accruing or otherwise payable as at that date).
Pricing Supplement	each Pricing Supplement for the Notes.
Record Date	16 August 2019.
Second Creditors Meeting	The meetings of creditors of the AXL Entities called by the Administrators pursuant to section 439A of the Corporations Act.
Security Trustee	Permanent Custodians Limited as security trustee of the Axesstoday Security Trust.
Series 2 Noteholders	Those persons whose names are entered on the register of series 2 notes as the holder of any of the A\$30,000,000 7.50% fixed rate secured notes due 22 June 2021 (ISIN: AU3CB0244192).
Special Resolution	A resolution passed by written resolution under the Meeting Provisions by Noteholders representing (in aggregate) at least 75 percent of the principal amount outstanding in respect of the Notes as at the Notification Date.

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ANNEXURE A – CIRCULATING RESOLUTION TO BE SIGNED BY AUSTRACLEAR

Austraclear Ltd, being the holder of the Notes, in accordance with the instructions in the Notification of Voting Intention received from the Issuer votes in favour of the DOCA Resolutions and, consequently, the DOCA Resolution(s) set out below is/are passed as a Special resolution by a Circulating Resolution.

Resolution 1: DOCA

That, pursuant to the Meeting Provisions:

- (a) *the Note Trustee is instructed to vote in favour of the DOCA at the Second Creditors Meeting in respect of all Notes;*
- (b) *approval is given for the Notes to be redeemed:*
 - (i) *otherwise than in accordance with the terms of the Note Conditions;*
 - (ii) *on any date as notified by the Administrators to the Note Trustee (which may be a date prior to the next Interest Payment Date); and*
 - (iii) *for an amount equal to the face value of the Notes plus interest accruing up to and including the date of redemption (but excluding Default Interest and any early prepayment fee accrued or accruing or as otherwise payable as at that date) (such amount being the **Payment Amount**);*
- (c) *approval is given for the AXL Entities to enter into the DOCA;*
- (d) *the Note Trustee is instructed to accept the Payment Amount in full and final satisfaction of the Issuer's and each Initial Guarantor's obligations and liabilities under the Note Trust Deed and Note Conditions;*
- (e) *approval is given, subject to payment of the Payment Amount by or on behalf of the Issuer to the Note Trustee:*
 - (i) *for the Note Trustee to discharge and release the Issuer and the Initial Guarantors from all liabilities, obligations and covenants under the Note Trust Deed and Note Conditions;*
 - (ii) *to terminate the Note Trust Deed; and*
 - (iii) *notwithstanding clause 19 of the Note Trust Deed, the Note Trustee is instructed to execute a confirmation of release in favour of the Issuer and each Initial Guarantor and to terminate the Note Trust Deed;*
- (f) *the Note Trustee is instructed and authorised to provide any approval, consent, waiver and/or release, and to enter into any document, deed, or any other arrangement, and/or do any other thing, in each case which is necessary and/or desirable in order for the DOCA to be effectuated; and*
- (g) *other than as set out in the preceding resolutions, the Note Trustee is instructed to take no action under the Note Conditions 14.4(b) or 14.6 with respect to any Event of Default subsisting prior to completion of the DOCA.*

Noteholder	Name of Authorised Representative	Outstanding principal amount of Notes to be voted for	Outstanding principal amount of Notes to be voted against	Outstanding principal amount of Notes abstained	Date of Signing
Austraclear Ltd		[A\$[#]]	[A\$[#]]	[A\$[#]]	

2 Resolution 2: Fees

That pursuant to the Meeting Provisions, the Note Trustee is instructed to vote in favour of each of the resolutions put to creditors of the AXL Entities at the Second Creditors Meeting in respect of:

- (a) *the fees, costs and expenses payable to each of the Administrators, the deed administrators (if the DOCA is entered into) and the trustees of the creditors' trust to be established under the DOCA (if the DOCA is entered into); and*
- (b) *the disbursements payable during the administration of the AXL Entities,*

in each case provided that the amounts specified in the resolutions at the Second Creditors Meetings (and for which the Administrators seek approval) are within the ranges specified in the Explanatory Statement.

Noteholder	Name of Authorised Representative	Outstanding principal amount of Notes to be voted for	Outstanding principal amount of Notes to be voted against	Outstanding principal amount of Notes abstained	Date of Signing
Austraclear Ltd		[A\$[#]]	[A\$[#]]	[A\$[#]]	

Executed by

_____ as attorney for)
AUSTRACLEAR LTD under a power of)
 attorney dated 24 May 2019 in the)
 presence of)

.....
Signature of witness

.....
Signature of Attorney

.....
Full name of witness (print)

.....
Full name of attorney (print)

ANNEXURE B – INSTRUCTION FORM

1 Details of Austraclear Holder

Name:

Address:

2 Details of Subordinated Notes held by Austraclear Holder

	Aggregate principal amount of Notes held by the Austraclear Holder
A\$35,000,000 in aggregate amount outstanding Australian Dollar Subordinated Notes due 9 October 2021 (ISIN: AU3FN0029096)	A\$[xx]

3 Details of beneficial holders which have instructed you as the Austraclear Holder (This section is not mandatory and failure to complete this section does not invalidate this Instruction Form.)

Name:

Name:

Name:

Name:

4 Direction to Sign

I direct Austraclear Ltd to vote in favour of the Special Resolutions below by signing and dating the Circulating Resolution in accordance with the following directions.

Resolution 1 in respect of the Notes

The Noteholder resolves that with effect on and from [●] 2019, the Special Resolution 1 in the Notice of Circulating Resolution and execution of the Circulating Resolution by Austraclear Ltd be agreed and approved.

Noteholder	Name of authorised representative	Outstanding principal amount of Notes to be voted for	Outstanding principal amount of Notes to be voted against	Outstanding principal amount of Notes abstained	Date of signing
Austraclear Ltd		A\$[xx]	A\$[xx]/Nil	A\$[xx]/Nil	

Resolution 2 in respect of the Notes

The Noteholder resolves that with effect on and from [●] 2019, the Special Resolution 2 in the Notice of Circulating Resolution and execution of the Circulating Resolution by Austraclear Ltd be agreed and approved.

Noteholder	Name of authorised representative	Outstanding principal amount of Notes to be voted for	Outstanding principal amount of Notes to be voted against	Outstanding principal amount of Notes abstained	Date of signing
Austraclear Ltd		A\$[xx]	A\$[xx]/Nil	A\$[xx]/Nil	

SIGNING PAGE

Signing Instructions:

Austraclear Holders are requested to:

- 1 select the appropriate execution clause from those set out below (or if the appropriate execution clause is not set out below, insert the appropriate execution clause);
- 2 sign and date it accordingly; and
- 3 deliver the completed Instruction Form by fax or by email to BNY Mellon using the following details, by no later than **5.00pm (Sydney time) Tuesday, 27 August 2019:**
 - Fax no: +61 2 9260 6009
 - email: pei.caipan@bnymellon.com

Executed as a deed on _____ 2019

EXECUTED by)	
)	
.....)	
Name of Austraclear Holder)	
)	
.....)
Company Secretary/Director)	Director
)	
.....)
Name of Company Secretary/Director (block letters))	Name of Director (block letters)

OR

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SIGNED by)

.....)
Name of Attorney)
as attorney for:)

.....)
[insert name of Austraclear Holder])
pursuant to power of attorney in the)
presence of:)

.....)
Signature of witness)

.....)
Name of witness (block letters))

OR

SIGNED by)

.....)
as Authorised Representative for)

.....)
[insert name of Austraclear Holder])
in the presence of:)

.....)
Signature of witness)

.....)
Name of witness (block letters))

OR INSERT OTHER BELOW

.....
By executing these Instructions to Sign the attorney states that the attorney has received no notice of revocation of the power of attorney and has included a certified copy of the power of attorney with these Instructions to Sign.

.....
By executing these Instructions to Sign the authorised representative states that the authorised representative has received no notice of revocation of their authority to sign.

ANNEXURE C - NOTIFICATION of VOTING INTENTION received from Austraclear Holders

[To be provided by the Issuer to Austraclear]

[Letterhead of the Issuer]

Instructions to Vote in respect of the following Notes

Issuer	ISIN	Title	Status	Aggregate outstanding principal amount
A.C.N. 603 303 126 Pty Ltd trading as Axsesstoday	AU3FN0029096	Floating Rate Subordinated Notes due 9 October 2021	Secured	A\$35,000,000

Date: [●] 2019

To: **Austraclear Ltd (ABN 94 002 060 773) as the registered Noteholder of the Notes issued by A.C.N. 603 303 126 Pty Ltd (Administrators Appointed) trading as Axsesstoday (Issuer) and described above (the Notes)**

We refer to the Notice of Circulating Resolution and Explanatory Statement dated 19 August 2019 (**Notice**) in respect of the entry by the Issuer and the Initial Guarantors into the DOCA and the early redemption of the Notes on the terms set out in the Explanatory Statement, as well as the approval of the Administrators' fees, costs and expenses (**Proposed Actions**), each as set out in that Notice. We confirm that Special Resolutions in the form set out in the Notice is required to give effect to the Proposed Actions. Terms not defined in this letter have the meanings given in that Notice.

We confirm that the Note Trustee has advised us that the Notice was circulated to Austraclear Holders.

We certify that we received instructions from the Note Trustee that, as at [●][am/pm] on [●] 2019, the Note Trustee had received validly completed Instruction Forms in respect of [each] Special Resolution from Austraclear Holders (or nominee Austraclear Holders) in whose Security Record the Notes are held, in the form satisfactory to the Note Trustee in respect of Notes representing A\$[●] in aggregate principal amount outstanding.

We confirm that we have received instructions from the Note Trustee that those Austraclear Holders have instructed Austraclear Ltd to vote on the resolution[s] by signing a Circulating Resolution in the form set out in the Notice, as follows

Special Resolution 1

Voted for	Voted against	Abstained	No votes received
A\$[●]	A\$[●]	A\$[●]	A\$[●]

Special Resolution 2

Voted for	Voted against	Abstained	No votes received
A\$[●]	A\$[●]	A\$[●]	A\$[●]

The Issuer certifies that this is sufficient majority to pass [each] resolution as a Special Resolution and that the Austraclear Holders have authorised and instructed Austraclear Ltd to pass the resolution(s) set out below:

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3 Resolution 1: DOCA

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“That, pursuant to the Meeting Provisions:

- (a) *the Note Trustee is instructed to vote in favour of the DOCA at the Second Creditors Meeting in respect of all Notes;*
- (b) *approval is given for the Notes to be redeemed:*
 - (i) *otherwise than in accordance with the terms of the Note Conditions;*
 - (ii) *on any date as notified by the Administrators to the Note Trustee (which may be a date prior to the next Interest Payment Date); and*
 - (iii) *for an amount equal to the face value of the Notes plus interest accruing up to and including the date of redemption (but excluding Default Interest and any early prepayment fee accrued or accruing or as otherwise payable as at that date) (such amount being the **Payment Amount**);*
- (c) *approval is given for the AXL Entities to enter into the DOCA;*
- (d) *the Note Trustee is instructed to accept the Payment Amount in full and final satisfaction of the Issuer’s and each Initial Guarantor’s obligations and liabilities under the Note Trust Deed and Note Conditions;*
- (e) *approval is given, subject to payment of the Payment Amount by or on behalf of the Issuer to the Note Trustee:*
 - (i) *for the Note Trustee to discharge and release the Issuer and the Initial Guarantors from all liabilities, obligations and covenants under the Note Trust Deed and Note Conditions;*
 - (ii) *to terminate the Note Trust Deed; and*
 - (iii) *notwithstanding clause 19 of the Note Trust Deed, the Note Trustee is instructed to execute a confirmation of release in favour of the Issuer and each Initial Guarantor and to terminate the Note Trust Deed;*
- (f) *the Note Trustee is instructed and authorised to provide any approval, consent, waiver and/or release, and to enter into any document, deed, or any other arrangement, and/or do any other thing, in each case which is necessary and/or desirable in order for the DOCA to be effectuated; and*
- (g) *other than as set out in the preceding resolutions, the Note Trustee is instructed to take no action under the Note Conditions 14.4(b) or 14.6 with respect to any Event of Default subsisting prior to completion of the DOCA.”*

4 Resolution 2: Fees

To consider and, if thought fit, pass the following resolution as a Special Resolution:

“That pursuant to the Meeting Provisions, the Note Trustee is instructed to vote in favour of each of the resolutions put to creditors of the AXL Entities at the Second Creditors Meeting in respect of:

- (a) *the fees, costs and expenses payable to each of the Administrators, the deed administrators (if the DOCA is entered into) and the trustees of the creditors' trust to be established under the DOCA (if the DOCA is entered into); and*
- (b) *the disbursements payable during the administration of the AXL Entities,*

in each case provided that the amounts specified in the resolutions at the Second Creditors Meetings (and for which the Administrators seek approval) are within the ranges specified in the Explanatory Statement.”

We **attach** a Circulating Resolution to be signed by Austraclear reflecting those instructions.

We have relied, without further investigation or verification, on the Instructions Form received by the Note Trustee and from the Austraclear Holders and forwarded to us as we have no reasonable grounds to believe that those Instructions Forms are not genuine or correct.

.....
Authorised signatory of A.C.N. 603 303 126 Pty Ltd (Administrators Appointed) trading as Axsesstoday

..... Name (print):

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