

August 2018

Dividend Reinvestment Plan Terms and Conditions



Terms and Conditions

1. Definitions and Interpretation

1.1. Definitions

In these Terms:

'ASX' means ASX Limited (ACN 008 624 691) or the market conducted by it;

'ASX Operating Rules' means the market rules applicable to trading on ASX;

'ASX Settlement Operating Rules' means the settlement rules applicable to trading on the ASX;

'Board' means the board of directors of Pioneer from time to time or any person the Directors delegate to;

'Business Day' has the meaning given in the Listing Rules;

'Company' means Pioneer Credit Limited (ACN 103 003 505);

'Constitution' means the constitution of Pioneer as amended from time to time;

'Discount' means the percentage discount (if any) determined by Pioneer's from time to time to be applied in calculating the Market Price per Share

'Dividend Payment Date' means the date on which Pioneer pays a dividend in respect of the Shares;

'DRP' means the Pioneer's Dividend Reinvestment Plan conducted on these Terms;

'Excluded Trades' means all off-market trades, including but not limited to, transactions defined in the ASX Operating Rules as special crossings, crossings prior to the commencement of the open session state, portfolio special crossings, equity combinations, crossings during overnight trading, overseas activity, trades pursuant to the exercise of options over Shares and any other trades that the Board determine should be excluded on the basis that the trades are not fairly reflective of supply and demand;

'Market Price' means, in relation to a dividend, 100% or such other amount that the Board may determine from time to time of:

- a) the Volume Weighted Average Market Price per Share of all Shares traded on the ASX during the Price Determination Period in relation to the Record Date for that dividend (excluding Excluded Trades); or
- b) if no Shares are traded during the Price Determination Period, the last sale price (that is not in respect of an Excluded Trade) recorded on the ASX prior to commencement of the Price Determination Period.

If, in the opinion of the Board, the Market Price, as calculated above, is not considered to represent the fair market value of Shares, the Board may determine the Market Price in their absolute discretion.

'Listing Rules' means the Listing Rules of ASX, as amended by any applicable waivers;

'Participant' means a Shareholder participating in the DRP in respect of a holding under a Shareholder Number;

'Participating Shares' means the number of a Participant's Shares that are participating in the DRP as at the Record Date calculated in accordance with clause 4;

'Pioneer' means Pioneer Credit Limited (ACN 103 003 505);

'Price Determination Period' means, in relation to a dividend, the period commencing on the first Trading Day after the Record Date (Commencement Date) for that dividend and ending if not otherwise determined by the Board, ten Trading Days after the Commencement Date.

'Record Date' means the date, selected by Board, when the Register is closed for determining the Pioneer shareholders' entitlement to receive dividends;

'Register' means the register of members maintained by Pioneer (or by Pioneer's duly appointed agent), including both the principal register and any branch registers or sub-registers;

'Rules' means this document including Plan Highlights, Frequently Asked Questions and the Terms & Conditions, as set out in this document and as varied from time to time;

'Shareholder' means a person registered in the Register as a holder of Shares;

'Shareholder Number' includes a holder identification number issued to a Shareholder under the ASX Settlement Operating Rules;

'Shares' means fully paid ordinary shares in the capital of Pioneer;

'Terms' means these terms and conditions of the DRP as amended from time to time in accordance with clause 13;

'Trading Days' means days on which ASX is open for trading;

'Volume Weighted Average Market Price' has the meaning given to it under the Listing Rules from time to time;

'Withholdings' means withholding tax and any other amounts (including without limitation, amounts withheld as a result of a failure to provide a tax file number) which Pioneer is required or permitted to withhold from a dividend payable on Participating Shares.

1.2. Interpretation

In these Terms, unless the context otherwise requires:

- a) the singular includes the plural and vice versa;
- b) headings are for convenience only and do not affect interpretation;
- c) an expression importing a natural person includes a firm, a body corporate, an unincorporated association and an authority;
- d) a reference to any statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances of by-laws amending, consolidating or replacing them, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute; and
- e) a reference to a document includes an amendment or supplement to, or replacement or novation of, that document.

2. Eligibility

- 2.1. Subject to clause 2.3, any Shareholder with an address on the Register in Australia or New Zealand is eligible to participate in the DRP.
- 2.2. Shareholders who do not have an address on the Register in Australia or New Zealand may only participate in the DRP if the Board in their absolute and unfettered discretion approve of the participation.
- 2.3. The Board have the discretion to refuse to accept Shares for participation in the DRP and to suspend or withdraw Shares from participation without notice, if they consider in good faith it is in the best interests of the Company or that a Shareholder's participation would be impracticable, impossible or illegal.
- 2.4. A Shareholder is solely responsible for obtaining and government or regulatory approval and consents necessary for that Shareholder to be eligible to participate in the DRP.

3. Participation in the DRP

- 3.1. Participation in the DRP is optional, non-transferable, and is subject to the Terms, all applicable laws, the Listing Rules and the Constitution.
- 3.2. If a Shareholder wishes to participate in the DRP, or vary the Shareholder's participation in ways permitted by these Terms, the Shareholder must complete an application form prescribed by the Board from time to time for that purpose.
- 3.3. Participation in the DRP will, subject to these Terms, commence with the first dividend paid after receipt by the Company of a duly completed and executed application form. The application form must be received before 5:00pm (AWST) on the first Business Day after the Record Date to participate in the dividend relating to that Record Date.

4. Level of participation

- 4.1. A Shareholder may specify in an application form under clause 3.2 the number (or percentage, if so permitted by the Board) of Shares which the Shareholder wishes to participate in the DRP.
- 4.2. If an application to participate or to vary participation is received which does not specify the number (or percentage, if applicable) of Shares that the Participant wishes to participate in the DRP, then the application will be deemed to specify all of the Participant's Shares from time to time.
- 4.3. If an application to participate or to vary participation is received that specifies a number of Shares that the Participant wishes to participate in the DRP that is greater than the number of Shares held under the Participant's Shareholder Number, then the application will be deemed to specify all of the Shares under that Shareholder Number from time to time.
- 4.4. Participating Shares will participate in the DRP and dividends paid on those Participating Shares will be reinvested in new Shares in accordance with these Terms.
- 4.5. Shares which are sold or otherwise transferred to a new Shareholder Number will cease to participate in the DRP on registration of the transfer by or on behalf of Pioneer.

5. Operation

- 5.1. The DRP and these Rules will commence operation on such date as the Board in their sole discretion determine, and will remain in operation unless modified, suspended or terminated by the Board in accordance with clauses 11 or 12.
- 5.2. Subject to this clause 5, each dividend (net of Withholdings, if any) payable to a Participant in respect of Participating Shares together with any balance under clause 5.6 will be applied by Pioneer to subscribe for Shares.
- 5.3. The number of Shares subscribed for by each Participant is the total amount of the dividend payable on the Participant's Participating Shares divided by the Market Price (less such Discount (if any)) referable to the relevant dividend, and rounded down to the nearest whole number of Shares.
- 5.4. The DRP will not operate in relation to a dividend to the extent that the allotment or transfer of Shares under the DRP would breach any applicable law, the Listing Rules or the Constitution.
- 5.5. If and to the extent that the DRP does not operate, the relevant dividend on Participating Shares must instead be distributed (net of Withholdings, if any) to Participants in the same way as to Shareholders not participating in the DRP.
- 5.6. Pioneer will retain for the Participant's benefit any balance remaining after the rounding down of the number of Shares subscribed for under clause 5.3, and such balance shall be applied to subscribe for Shares under clause 5.2 with the next dividend.
- 5.7. Subject to clause 5.8, if a Participant terminates the Participant's participation in the DRP but retains Pioneer Shares, Pioneer will remit to the Participant with the next dividend payment any balance retained under clause 5.6.

- 5.8. If the Participant does not hold Shares under the Shareholder Number to which the balance in clause 5.6 relates at the time of the Record Date for the next dividend, the cash balance will be paid to the Participant at the time the next dividend is paid.
- 5.9. Where all of a Participant's Shares are Participating Shares and the Participant disposes of some (but not all) of those Shares, then subject to clause 5.12, the remaining Shares held by the Participant continue to be Participating Shares.
- 5.10. Where only some of a Participant's Shares are Participating Securities and the Participant disposes of part of the Participant's total holding, then the Shares disposed of are deemed not to be Participating Shares. If the number of Shares disposed of is more than the number of the Participant's Securities not participating in the DRP, the disposal is deemed to include all the Participant's holding not participating in the DRP, and the balance (if any) will be attributed to Participating Securities.
- 5.11. Where a Participant disposes of all its Shares, the Participant is deemed to have terminated participating in the DRP with respect to the holding on the date Pioneer registered a transfer or instrument of disposal of the Participant's holding.
- 5.12. Notwithstanding clauses 5.9, 5.10 and 5.11, unless the Board determines otherwise, where a Participant disposes of some or all of its Shares on or after the Record Date but prior to the Dividend Payment Date, in respect of the Dividend where the Shareholder is a Participant and the DRP is in operation, these Rules will continue to apply to that dividend as if the disposal of any Participating Shares took effect immediately after the Dividend Payment Date.

6. Obligations relating to allotted or transferred shares

Shares allotted (or acquired on behalf of, and transferred to, Participants, as applicable) under the DRP:

- a) must be allotted (or acquired and transferred, if applicable) on the date that the dividend is applied by Pioneer under clause 5.2;
- b) must be allotted (or acquired and transferred, if applicable) in accordance with the Listing Rules and the terms of the DRP;
- c) will rank equally with existing Shares and have attached to them the same rights and obligations as all other Shares; and
- d) where a Participant lodges separate applications under clause 9.3 in respect of parcels of Shares held by that Participant identified in the Register by a separate Shareholder Number, these must be registered on the same Register as the Participant's Shares to which the application relates.

7. Option to issue new shares or purchase existing shares

- 7.1. The Board in their absolute discretion will determine, with respect to the operation of the DRP for any dividend, whether to issue new Shares or to cause the purchase and transfer of existing Shares, or to apply a combination of both options, to satisfy Pioneer's obligations under these Terms.
- 7.2. If the Board determine to cause the purchase of Shares and their transfer to Participants, the Shares may be acquired as the Board consider appropriate, subject to compliance with

all applicable laws. Pioneer, if it so chooses, may create a trust (of which Participants are the beneficiaries) to acquire the Shares and then transfer such Shares to the Participants.

8. Statements

On, or as soon as practicable after, each allotment of Shares under the DRP, Pioneer must send to each Participant a holding statement (in a form determined by Pioneer) setting out full details of the allotment and any cash balances. This holding statement will contain all important and relevant information about the dividend payment.

9. Applications and notices

- 9.1. Any notice or application by a Shareholder provided for in the Terms must be in the form prescribed by Pioneer from time to time.
- 9.2. By applying to participate in the DRP, the Shareholder agrees to be bound by these Terms and the Constitution in respect of all Shares allotted or transferred to the Shareholder under the DRP.
- 9.3. Separate notices or applications must be given in respect of each parcel of Shares identified in the Register by a separate Shareholder Number and a Shareholder is deemed for the purposes of the DRP to be a separate Shareholder in relation to each parcel of Shares identified by a separate Shareholder Number.
- 9.4. A notice required by these Terms to be given to Shareholders by Pioneer may be given by:
 - a) giving the notice to ASX for release to the market (in which case the notice is taken to be given on the date that it is released to the market); or
 - b) sending the notice to the registered postal address or nominated email address (if applicable) of the Shareholders (in which case the notice is taken to be given on the date determined in accordance with the Constitution); or
 - c) both methods (in which case the notice is taken to be given on the date that it is released to the market).
- 9.5. The failure to give a notice of modification, suspension or termination of the DRP or terms of the DRP, or the non-receipt of any notice by any Shareholder, does not invalidate the modification, suspension or termination of the DRP or the terms of the DRP (as the case may be).

10. ASX Listing

Pursuant to the Listing Rules, Pioneer will apply for quotation on ASX of all Shares allotted under the DRP.

11. Modification or suspension

- 11.1. The Board may, in their absolute and unfettered discretion, modify the Terms, or suspend or terminate the DRP at any time by giving written notice to Participants.
- 11.2. Subject to clause 5, and if the suspension of the DRP is for a period of less than or equal to 15 months, each Shareholder who was a Participant immediately prior to the suspension of the DRP is taken to continue to participate in the DRP when it recommences. If the DRP is reinstated by Pioneer after a period of 15 months, Shareholders will be required to

complete a new application form prescribed by Pioneer. Participating in any reinstated DRP will be subject to the DRP Rules in place at that point in time.

- 11.3. Subject to clause 5, and if the suspension of the DRP is for a period of less than or equal to 15 months, in the event that the Terms are modified by the Board, each Participant is taken to continue to participate in the DRP as varied. Any modifications to the Terms of the DRP will be notified by Pioneer to the ASX. If the DRP is reinstated by Pioneer after a period of 15 months, Shareholders will be required to complete a new application form prescribed by Pioneer, and amended from time to time for that purpose. Participating in this reinstated DRP will be subject to the DRP Rules in place at that point in time.

12. Termination

- 12.1. A Participant may, at any time, terminate his/her participation in the DRP by lodging a duly completed and executed DRP form.
- 12.2. If a Participant dies, participation in the DRP by the Participant and any other Participant with whom the deceased was a joint Participant will be terminated upon receipt of notice by Pioneer of the death of the Participant and any such termination takes effect only with respect to the next occurring Record Date.

13. Costs

No brokerage, commission or other transaction costs are payable by the Participants in respect of an allotment or transfer of Shares under the DRP. Any brokerage, commission and other transaction costs in respect of any subsequent disposal of Shares acquired under the DRP by a Participant will be payable by that Participant.

14. Disputes

Any disputes or disagreements arising under or in relation to the DRP or the Terms may be settled by the Board as they deem appropriate and any determination made by the Board will be final and binding.

15. Taxation

Pioneer takes no responsibility for the taxation liabilities of any Participant. A Participant should obtain their own independent taxation advice, if required.

16. General

Pioneer's records are conclusive evidence of the matters recorded in them.

17. Governing Law

The Terms will be governed by and construed in accordance with the laws of the State of Western Australia and each Shareholder submits to the exclusive jurisdiction of the Courts of Western Australia and the Courts which may hear appeals from those Courts.