



## Notice of Annual General Meeting – 28 November 2011

Investorfirst Limited ('INQ', 'Investorfirst' or the 'Company') gives notice that it will hold its Annual General Meeting ('AGM') on Monday, 28 November 2011 at Level 45 Governor Phillip Tower - 1 Farrer Place, Sydney NSW 2000 for the purpose of transacting the business set out in this Notice. The meeting will begin at 11.00am, with registration beginning at 10.45am.

If you are unable to attend the meeting you are encouraged to complete and return the enclosed Voting Form which allows you to lodge your vote directly or appoint a proxy to vote on your behalf.

The completed Voting Form must be received by Boardroom Pty Ltd no later than 11.00am (Sydney time) on Saturday, 26 November 2011.

A copy of the Investorfirst 2011 Annual Report for the year ended 30 June 2011 is available on the Group's website [www.investorfirst.com.au/investor-relations](http://www.investorfirst.com.au/investor-relations).

### ORDINARY BUSINESS

#### Investorfirst Financial Accounts and Reports

To receive the Financial Statements, Directors' Report and Auditor's Report for INQ and its controlled entities for the year ended 30 June 2011.

*Note: There is no requirement for shareholders to approve these reports.*

#### Resolution 1: Adoption of Remuneration Report

To consider, and if thought fit, to pass as a non-binding and advisory resolution in accordance with section 250R of the Corporation Act:

*"That INQ adopt the Remuneration Report included in the INQ Directors' Report for the financial year ended 30 June 2011."*

#### Voting exclusion statement:

The Company will disregard any votes cast on Resolution 1 by a member of the Key Management Personnel or their closely related parties. However, the Company will not disregard a vote if:

- it is cast by the Chairman as proxy appointed in writing, in accordance with a direction on the proxy form to vote as the proxy decides; or
- it is cast by a member of the Key Management Personnel or their closely related parties as proxy appointed in writing that specifies how the proxy is to vote, and the vote is not cast on behalf of a member of the Key Management Personnel or their closely related parties.

#### Notes:

- *This resolution is advisory only and does not bind the Company or its directors.*
- *The directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.*



For personal use only

## **Resolution 2: Re-election of Director**

In accordance with Article 18.5 of Investorfirst's Constitution, one third of the Directors (other than the Managing Director) are required to retire from office at each Annual General Meeting, together with any Director who has held office without re-election for three or more years.

As such, in accordance with this Article of the Constitution, Mr. Robert Spano will retire by rotation at the Annual General Meeting and, being eligible, offers himself for election.

*"That, Mr. Spano, who retires by rotation in accordance with Article 18.5 of the Constitution of the Company, and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company with immediate effect."*

Notes:

- *The non-candidate directors unanimously support the re-election of Mr. Robert Spano.*
- *The Chairman of the meeting intends to vote undirected proxies in favour of Mr. Robert Spano re-election.*
- *Mr. Spano was previously elected as a Director by members of the Company on 30 November 2009. Information about this candidate, whom is seeking re-election, appears in the Explanatory Memorandum.*

## **Resolution 3: Election of Director**

In accordance with Article 18.1 of Investorfirst's Constitution, the Directors shall have power to appoint any person as a Director either to fill a casual vacancy or as an addition to their number. A person (other than the Managing Director) appointed as a Director pursuant to this Article 18.4, holds office until the conclusion of the next annual general meeting, and is eligible for election at that meeting.

As such, in accordance with this Article of the Constitution, Mr. Jason Entwistle will retire at the Annual General Meeting and, being eligible, offers himself for election.

*"That, Mr. Jason Entwistle, who was appointed by the Directors in the last 12 months to fill a casual vacancy, and who, being eligible, offers himself for election in accordance with Article 18.4 of the Constitution be elected as a Director of the Company with immediate effect."*

Note:

*Information about this candidate, whom is seeking election, appears in the Explanatory Memorandum.*

## **Resolution 4: Election of Director**

In accordance with Article 18.1 of Investorfirst's Constitution, the Directors shall have power to appoint any person as a Director either to fill a casual vacancy or as an addition to their number. A person (other than the Managing Director) appointed as a Director pursuant to this Article 18.4, holds office until the conclusion of the next annual general meeting, and is eligible for election at that meeting.

As such, in accordance with this Article of the Constitution, Mr. Hugh Robertson will retire at the Annual General Meeting and, being eligible, offers himself for election.

*"That, Mr. Hugh Robertson, who was appointed by the Directors in the last 12 months to fill a casual vacancy, and who, being eligible, offers himself for election in accordance with Article 18.4 of the Constitution be elected as a Director of the Company with immediate effect."*

Note:

- Information about this candidate, whom is seeking election, appears in the Explanatory Memorandum.

## SPECIAL BUSINESS

### Resolution 5: Appointment of Auditor

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*“That, for the purposes of section 327B of the Corporations Act and for all other purposes, PKF, having been nominated by a shareholder of the Company and consenting in writing to act in the capacity of Auditor of the Company, be appointed as Auditor of the Company and that the Directors be authorised to fix the remuneration of the Auditor.”*

Note:

- Further comments appear in the Explanatory Memorandum. Also, in accordance with section 328B(3) of the Corporations Act, a copy of the notice of nomination of Auditor accompanies this Notice of Meeting.

### Resolution 6: Approval of the Investorfirst Share Option Plan

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*“That, for the purposes of Exception 9(b) of Listing Rule 7.2, and for all other purposes, approval is given for the Company to adopt the Investorfirst Share Option Plan on the terms detailed in the Explanatory Memorandum and that the Company be authorised to issue securities under the Investorfirst Share Option Plan.”*

#### Voting exclusion statement:

The Company will disregard any votes cast on Resolution 6 by a director of the Company (except a director who is ineligible to participate in the Investorfirst Share Option Plan and the Investorfirst Share Ownership Trust) and any associate of such a director. However, the Company will not disregard a vote if:

- it is cast by the Chairman as proxy appointed in writing, in accordance with a direction on the proxy form to vote as the proxy decides; or
- it is cast by a director of the Company (except a director who is ineligible to participate in the Investorfirst Share Option Plan and the Investorfirst Share Ownership Trust) or any associate of such a director as proxy appointed in writing that specifies how the proxy is to vote, and the vote is not cast on behalf of a director of the Company (except a director who is ineligible to participate in the Investorfirst Share Option Plan and the Investorfirst Share Ownership Trust) or any associate of such a director.

### Resolution 7: Approval of the Investorfirst Share Ownership Trust

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*“That, for the purposes of Exception 9(b) of Listing Rule 7.2, and for all other purposes, approval is given for the Company to adopt the Investorfirst Share Ownership Trust on the terms detailed in the Explanatory Memorandum and that the Company be authorised to issue Shares to the Investorfirst Share Ownership Trust.”*

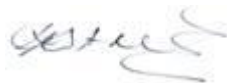
**Voting exclusion statement:**

The Company will disregard any votes cast on Resolution 7 by a director of the Company (except a director who is ineligible to participate in the Investorfirst Share Ownership Trust and the Investorfirst Share Ownership Plan) and any associate of such a director. However, the Company will not disregard a vote if:

- it is cast by the Chairman as proxy appointed in writing, in accordance with a direction on the proxy form to vote as the proxy decides; or
- it is cast by a director of the Company (except a director who is ineligible to participate in the Investorfirst Share Ownership Trust and the Investorfirst Share Ownership Plan) or any associate of such a director as proxy appointed in writing that specifies how the proxy is to vote, and the vote is not cast on behalf of a director of the Company (except a director who is ineligible to participate in the Investorfirst Share Ownership Trust and the Investorfirst Share Ownership Plan) or any associate of such a director.

Refer to the Explanatory Notes accompanying, and forming part of, this Notice for further information on the proposed resolutions.

By order of the Board.



Andrea Steele  
Company Secretary  
24 October 2011

For personal use only

## Notes

<b>Who May Vote</b>	Persons whose names are set out in the register of members of the Company as at 7.00pm Friday 25 November 2011 are entitled to attend and vote at the meeting convened by this notice.
<b>Proxies - Appointment</b>	A member of the Company who is entitled to attend and vote at the meeting has a right to appoint not more than 2 proxies to attend and vote for the member at the meeting. A member who is entitled to cast 2 or more votes may appoint 2 proxies. Where a member appoints 2 proxies, the appointment may specify the proportion or number of votes which each proxy may exercise. If the appointment does not specify the proportion or number of the member's votes each proxy may exercise, then each proxy may exercise half of those votes. A proxy need not be a member of the Company.
<b>Proxies - Lodgment</b>	<p>To be valid, a proxy form must be received by the Company by no later than 11.00am (AEDT) on 26 November 2011 ('Proxy Deadline'). Proxies may be submitted by :</p> <ul style="list-style-type: none"><li>(a) <b>post</b> to Boardroom Pty Ltd, GPO Box 3993, Sydney NSW 2001; or</li><li>(b) <b>hand delivery</b> to Boardroom Pty Ltd, Level 7, 207 Kent Street, Sydney NSW 2000; or</li><li>(c) <b>facsimile</b> to +61 2 9290 9655.</li></ul> <p>A written proxy appointment must be signed by the member or the member's attorney. Where the appointment is signed by the appointor's attorney, a certified copy of the authority, or the authority itself, must be lodged with Company in one of the above ways by the Proxy Deadline. If facsimile transmission is used, the authority must be certified.</p>
<b>Body Corporate Representative</b>	<p>A member of the Company who is a body corporate and who is entitled to attend and vote at the meeting, or a proxy who is a body corporate and who is appointed by a member of the Company entitled to attend and vote at the meeting, may appoint a person to act as its representative at the meeting by providing that person with:</p> <ul style="list-style-type: none"><li>(a) a letter or certificate, executed in accordance with the body corporate's constitution, authorising the person as the representative; or</li><li>(b) a copy of the resolution, certified by the secretary or a Director of the body corporate, appointing a representative.</li></ul>

For personal use only

# Explanatory Memorandum to Shareholders

## Investorfirst Limited

**A.B.N. 87 124 891 685**

### Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of Investorfirst Limited ('Investorfirst', 'INQ' or 'Company') in connection with the business to be transacted at the Annual General Meeting of the Company to be held at Level 45 Governor Phillip Tower - 1 Farrer Place, Sydney NSW 2000 at 11.00am EST (registration from 10.45am EST) ('Annual General Meeting').

At the Annual General Meeting, Shareholders will be asked to pass resolutions:

- 1) Adopting the Remuneration Report;
- 2) Approving the re-election of Mr. Robert Spano as a Director of the Company;
- 3) Approving the election of Mr. Jason Entwistle as a Director of the Company;
- 4) Approving the election of Mr. Hugh Robertson as a Director of the Company;
- 5) Approving the Appointment of Auditor;
- 6) Approving the Investorfirst Share Option Plan; and
- 7) Approving the Investorfirst Share Ownership Trust.

The purpose of this Explanatory Memorandum is to provide information that the Board believes to be material to Shareholders in deciding whether or not to pass these resolutions.

It explains the resolutions and identifies the Board's reasons for putting them to the Shareholders. This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

### Action to be taken by Shareholders

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on the resolutions set out in the Notice of Meeting. At the end of this Explanatory Memorandum is a proxy form for use by Shareholders.

All Shareholders are invited and encouraged to attend the Annual General Meeting or, if they are unable to attend in person, to complete, sign and return the proxy form to the Company in accordance with the instructions contained in the proxy form and the Notice of Meeting. Lodgement of a proxy form will not preclude a Shareholder from attending and voting at the Annual General Meeting in person.

### Ordinary Business

#### Consideration of Financial Statements

Section 317 of the *Corporations Act* requires the Company's financial statements and reports of the Directors and of the external auditor for the year ended 30 June 2011 to be laid before the Annual General Meeting. The financial statements and the reports of the Directors and of the Company's external auditor are contained in the Company's 2011 Annual Report, a copy of which has been sent to those Shareholders requesting such. In addition, this is also available on request to the Company or from the Group's web site at [www.investorfirst.com.au/investor-relations](http://www.investorfirst.com.au/investor-relations).

For personal use only

While no resolution is required in relation to this item, Shareholders should consider the documents and raise any matters of interest with the Directors when this item is being considered.

The Company's external auditor will also be present at the meeting and Shareholders will have an opportunity to ask the external auditor any relevant questions in relation to the conduct of the audit, the auditor's report and the independence of the auditor.

## Resolution 1

### **Non-Binding Resolution on Adoption of the Remuneration Report**

Section 250R of the *Corporations Act* requires a publicly listed company to put a resolution to shareholders to adopt the company's Remuneration Report. The vote on this resolution is advisory only and does not bind the Directors or the company.

The Remuneration Report can be found at pages 8 to 15 of the Annual Report for the year ended 30 June 2011. It sets out Investorfirst's remuneration policy and the remuneration arrangements for the Key Management Personnel (who are comprised of the Bank's Directors and certain senior executives).

In accordance with the *Corporations Act*, Shareholders will be given an opportunity to ask questions and make comments on the Remuneration Report.

The Group's remuneration structure is designed to align executive and shareholder interests, retain talent and support long term value creation by providing employees with competitive remuneration and valuable rewards for outstanding performance.

The vote on this resolution is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast are against the adoption of the Remuneration Report, the Company's next Remuneration Report must explain the Board's proposed action in response or explain why no action has been taken.

In the following year, if at least 25% of the votes cast on the resolution that the Remuneration Report be adopted are against adoption, shareholders will then vote to determine whether the Directors, excluding the CEO, will need to stand for re-election. If more than 50% of the votes cast on the resolution are in favour, a separate re-election meeting must be held within 90 days.

*The Board **abstains from making a recommendation** in relation to this resolution.*

## Resolution 2

### **Approval of Re-Election of Mr. Robert Spano as a Director**

The Listing Rules of the Australian Securities Exchange ('ASX Listing Rules') require the Company to hold an election of Directors each year.

Pursuant to Article 18.5 of Investorfirst's Constitution one third of the Directors (other than the Managing Director) are required to retire from office at each Annual General Meeting, together with any Director who has held office without re-election for three or more years.

As such, in accordance with this Article of the Constitution, Mr. Robert Spano will retire by rotation at the Annual General Meeting and, being eligible, offers himself for election.

For personal use only

### **Profile of Mr. Robert Spano**

Mr. Spano is a management specialist with over 25 years experience in the finance industry. In addition to substantial hands on experience, he has completed a number of courses in management and holds a Management Diploma. He began his involvement in the finance and banking industry in 1981. He established Integrated Asset Management (IAM) as a dynamic and innovative finance company. The company has formed a joint venture with the Toshiba Corporation to form Toshiba Australia Finance. In 2008 Mr. Spano, with the assistance of CHAMP Private Equity, purchased the Alleasing Group and sold IAM into the same group. He is now a Non-Executive Director at the Alleasing Group. Alleasing is the largest independent Operating lease company in Australia, with a portfolio of \$1.4 billion in receivables and 24,000 customers ranging from Government clients to small commercial enterprises.

Mr. Spano was Chairman at Aequus Capital Limited from 2004 up until its takeover by Investorfirst. He has assisted management with a smooth transition. He is currently a Director of a number of smaller private investment companies.

Mr. Spano was appointed to the Board on 12 January 2009 and is a member of the Audit, Risk and Compliance Committee.

Mr. Spano is resident of Sydney, New South Wales.

*The Board recommends that shareholders **vote in favour** of this resolution. Mr. Robert Spano has abstained in regard to this recommendation.*

### **Resolution 3**

#### **Approval of Election of Mr. Jason Entwistle as a Director**

Pursuant to Article 18.1, the Directors shall have power to appoint any person as a Director either to fill a casual vacancy or as an addition to their number. A person (other than the Managing Director) appointed as a Director pursuant to this Article 18.4, holds office until the conclusion of the next annual general meeting, and is eligible for election at that meeting.

As such, in accordance with this Article of the Constitution, Mr. Jason Entwistle will retire at the Annual General Meeting and, being eligible, offers himself for election.

#### **Profile of Mr. Jason Entwistle**

Mr. Entwistle was appointed to the Board on 26 November 2010 as a Non-Executive Director. On 22 July 2011, Mr. Entwistle assumed the role of Non-Executive Deputy Chairman.

Mr. Entwistle has over 20 years experience in the financial services industry. During that time he established a number of successful wealth management related businesses. His experience includes being a member of the small team that created the successful Navigator master trust (now owned by National Australia Bank), before co-founding Avanteos, which was launched in 2001 and became Australia's first online Wrap Platform. The Commonwealth Bank of Australia later purchased Avanteos and continues to run it as Colonial First State Custom Solution's FirstWrap.

Jason is currently the Managing Director of Westoria Capital Pty Ltd, a Non-Executive director of Techdrill Services Pty Ltd and was also a founding Director of Centaurus Resources Limited, an ASX listed resources company.

Mr. Entwistle is a member of Investorfirst's Audit, Risk and Compliance Committee as well as Investorfirst's Remuneration Committee.



Mr. Entwistle is resident of Melbourne, Victoria.

*The Board recommends that shareholders **vote in favour** of this resolution. Mr. Jason Entwistle has abstained from this recommendation.*

## **Resolution 4**

### **Approval of Election of Mr. Hugh Robertson as a Director**

Pursuant to Article 18.1, the Directors shall have power to appoint any person as a Director either to fill a casual vacancy or as an addition to their number. A person (other than the Managing Director) appointed as a Director pursuant to this Article 18.4, holds office until the conclusion of the next annual general meeting, and is eligible for election at that meeting.

As such, in accordance with this Article of the Constitution, Mr. Hugh Robertson will retire at the Annual General Meeting and, being eligible, offers himself for election.

### **Profile of Mr. Hugh Robertson**

Mr. Robertson was appointed to the Board on 20 April 2011 as an Executive Director. Mr. Robertson has over 25 years experience in the financial services industry, commencing his stockbroking career in 1983. During that time he has been involved in a number of successful stockbroking and equity capital markets businesses including Falkiners Stockbroking and most recently Bell Potter Securities.

Mr. Robertson is currently a Director at Wentworth Holdings Limited and Rattoon Limited.

Previously, Mr. Robertson has also held directorships with NSX Ltd, OAMPS Ltd, Catalyst Recruitment Ltd and Bell Potter Ltd (pre-IPO).

Mr. Robertson is resident of Melbourne, Victoria.

*The Board recommends that shareholders **vote in favour** of this resolution. Mr. Hugh Robertson has abstained from this recommendation.*

## **Special Business**

### **Resolution 5**

#### **Appointment of Auditor**

Ernst & Young ('EY') has, subject to ASIC approval, tendered its resignation as auditor to the Company and the Company has agreed that PKF be appointed auditor of the Company.

This change in auditors follows an internal review by the Company of the provision of its audit and ancillary services.

The appointment of EY is valid until the resolution to appoint PKF placed before shareholders at this annual general meeting.

For personal use only

The Company propose to appoint PKF as the auditor of the Company. In accordance with section 328B(1) of the Corporations Act, notice in writing nominating PKF as auditor has been given to the Company by a shareholder. A copy of this notice is shown in the Explanatory Memorandum.

The appointment is conditional on ASIC agreeing to the resignation of EY as the Company's auditors. The ASIC consent is expected to be forthcoming before shareholders vote on the resolution. PKF has consented in writing to its appointment.

Accordingly, Resolution 5 seeks shareholder approval to the appointment of PKF, of Level 10, 1 Margaret Street, Sydney NSW 2000 to the office of auditor of the Company.

If this Resolution is passed, the appointment of PKF as the Company's auditor will take effect at the close of the Meeting.

*The Board recommends that shareholders **vote in favour** of this resolution.*

## Resolution 6

### Approval of the Investorfirst Share Option Plan

#### Listing Rule 7.1 and Exception 9 of Listing Rule 7.2

The Company proposes to adopt an employee share option plan to be called the Investorfirst Share Option Plan (**Plan**), pursuant to which the Company can issue options over ordinary shares (**Options**) to eligible employees, contractors and salaried (executive) directors of the Company (**Eligible Persons**) to provide them with an incentive to deliver growth and value to shareholders, and to provide the Company with the ability to attract and retain such people.

A summary of the principal terms of the Plan is set out in Annexure A to this Explanatory Statement. A complete copy of the Plan is available at the Company's website, [www.investorfirst.com.au](http://www.investorfirst.com.au), or by calling the Company Secretary (03) 8672 7557.

Under Listing Rule 7.1, companies are generally restricted from issuing more than 15% of their issued share capital in any 12 month period without shareholder approval. There are a number of exceptions to this restriction, including Exception 9 of Listing Rule 7.2, which applies when there is an issue of securities under an employee incentive scheme if, within 3 years before the date of issue, holders of ordinary securities have approved the issue of securities under the scheme as an exception to Listing Rule 7.1. Shareholder approval is therefore sought for the adoption of the Plan by the Company and the issue of Options to Eligible Persons under the Plan. If approval is given, Options issued under the Plan in the next 3 years will be exempt from counting towards the 15% limit on the Company issuing shares in any 12 month period without shareholder approval.

*The Board recommends that shareholders **vote in favour** of this resolution.*

## Resolution 7

### Approval of the Investorfirst Share Ownership Trust

#### Listing Rule 7.1 and Exception 9 of Listing Rule 7.2

The Company also proposes to adopt an employee share ownership plan to be called the Investorfirst Share Ownership Trust (**Trust**). Under the terms of the Trust the Company can procure the transfer or issue of ordinary shares in the Company to a corporate trustee (FirstFunds Limited) (**Trustee**) which is

a wholly owned subsidiary of the Company, which will hold such shares on behalf of Eligible Persons on the terms of the Trust, in order to provide them with an incentive to deliver growth and value to shareholders, and to provide the Company with the ability to attract and retain such people. The Company will also have the ability to provide funding to the Trust to enable the Trust to purchase shares on market in order to satisfy its obligations to hold shares on behalf of Eligible Persons.

The Company proposes to establish the Trust in addition to the Plan to provide the Company with the flexibility from time to time to issue shares to the Trust or to procure the transfer of shares in the Company from third parties to the Trust, or to provide funding for the Trust to buy shares in the Company on market for the benefit of Eligible Persons (as opposed to issuing Options to such persons under the Plan) so as not to dilute the issued capital of the Company held by the shareholders.

A summary of the principal terms of the Trust is set out in Annexure B to this Explanatory Statement. A complete copy of the Trust is available at the Company's website, [www.investorfirst.com.au](http://www.investorfirst.com.au), or by calling the Company Secretary on (03) 8672 7557.

Shareholder approval is sought for the adoption of the Trust by the Company and the issue of Shares to the Trust (so that Share Rights can be issued by the Trustee to Eligible Persons under the Trust) for the purposes of Exception 9 of Listing Rule 7.2. If approval is given, Shares issued to the Trust will be exempt from counting towards the 15% of the issued capital of the Company that can be issued in any 12 month period without Shareholder approval under Listing Rule 7.1, as set out in respect of Resolution 6 above.

#### Corporations Act Requirements

The terms of the Trust provide the ability for the Company to fund the Trust to purchase shares in the Company on market by way of a non-recourse loan (and the Trust would then hold such shares for the Eligible Persons until they exercise their rights to obtain those shares once all applicable vesting conditions have been satisfied). The provision of such funding by the Company to the Trust would constitute financial assistance to the Trust and to those Eligible Persons to acquire shares in the Company which is in prohibition of section 260A of the *Corporations Act 2001* (Cth) (**Corporations Act**) unless, pursuant to an exception under 260C of the Corporations Act, the financial assistance is given under an employee share scheme that has been approved by a resolution passed at a general meeting of the company.

The financial assistance to be provided by the Company under the terms of the Trust to enable Eligible Persons to acquire shares in the Company will be exempted from the prohibition in section 260A of the Corporations Act as the Trust is an employee share scheme for the purposes of section 260C of the Corporations Act.

*The Board recommends that shareholders **vote in favour** of this resolution.*

## Annexure A

### Summary of the principal terms of the Plan

A summary of the principal terms of the Investorfirst Share Option Plan (**Plan**) is set out below:

1. Under the Plan, the Board may in its discretion invite any of the following persons to participate in the Plan:
  - (a) an employee of the Company or any of its subsidiaries;
  - (b) any independent contractor engaged by the Company (or any of its subsidiaries) and whom the Board has determined is an eligible person to participate in this Plan provided such determination is not contrary to section 83A-325 of the Tax Act or causes this Plan to cease to be an employee share scheme under the Tax Act or to qualify for class order relief referred to in clause 1.4(c) of the Plan; or
  - (c) a salaried director of the Company or any of its subsidiaries,  
  
(each an **Eligible Person**).
2. The number of Shares which may be issued to Eligible Persons (including as a result of the exercise of Options) when aggregated with the number of shares in the same class issued during the previous 5 years pursuant to all employee share schemes or employee share option schemes established by the Company must not exceed 5% of the total number of issued shares in that class of shares on issue as at the time of the relevant offer. If following the date the Plan is adopted, ASIC specifies a different maximum limit for an employee share ownership plan to be eligible for class order relief, the Board may take such actions to vary the terms of the Plan as it sees fit in order to comply with that requirement.
3. An Eligible Person who is invited to participate in the Plan may accept the invitation and apply for Options under the Plan up to the number specified in the invitation. The Company may permit an Eligible Person to nominate an associate (as defined in the *Income Tax Assessment Act 1997* (Cth)) to be issued the securities in his or her place.
4. Options may be offered for acquisition and acquired by or for the benefit of a person under the Plan for no consideration or at such price or for such other consideration to be paid or otherwise provided at such times and on such terms as the Board may determine at or before the time of acquisition of the Options.
5. The exercise price of any Options offered or issued under the Plan (i.e. the price payable to exercise the Options), any restrictions as to the exercise of any Options, any restrictions as to the disposal or encumbrance of any Options or Shares acquired as a result of exercising any Options, and the expiry date of the Options (i.e. the last date on which they can be exercised) may be determined by the Board at or before the time of issue of the Options.
6. The Company may require that any securities acquired under the Plan are acquired and/or subject to such additional restrictions and other terms as to their sale, transfer or other disposal, or mortgage, charge or other encumbrance as the Board may determine at or before the time of acquisition.
7. Any vesting condition placed on the Options before the holder can exercise those Options will be set out in the invitation letter or certificate for the Option. Any restriction as to the disposal of any securities will cease to apply where prior to the date that any vesting condition relating to the

For personal use only

securities are satisfied, there is an acquisition by a person or entity (directly or indirectly) of not less than 90% of the issued shares of the Company, whether by private treaty, takeover or a members scheme of arrangement in accordance with the *Corporations Act 2001* (Cth).

8. Shares issued under the Plan pursuant to the exercise of Options will rank for dividends from the date they are issued and will otherwise rank *pari passu* with all other shares then on issue.
9. If shares are quoted on the financial market of ASX, the Company must apply for quotation on the financial market of ASX of all shares issued under the Plan within the time limit prescribed by the Listing Rules unless quotation of any shares under the Plan is not required under the Listing Rules in which case the Company will not need to apply for quotation of those shares until such time as quotation may subsequently be required.
10. Each Option entitles the holder, on exercise, to one fully paid ordinary share in the Company.
11. No Eligible Person may accept an offer to participate or continue to participate in this Plan if at the time of acceptance, he or she owns, has an interest in or controls 5% or more of the issued capital of the Company (including as a result of the exercise of any Options granted under the Plan).
12. Although salaried or executive directors are eligible to be offered Options under the Plan, this would first require specific shareholder approval under the ASX Listing Rules and potentially the Corporations Act.
13. Unless the Board determines otherwise, any rights to any security granted under or pursuant to the Plan to an Eligible Person which have not been exercised (having satisfied all relevant vesting conditions) will automatically lapse and be forfeited where the Eligible Person suffers or incurs one of the following disqualifying events:
  - (a) the Eligible Person being charged with a criminal offence or being found guilty of theft, fraud or defalcation in relation to any body corporate of the Company or any of its subsidiaries (**Group**);
  - (b) dismissal of the Eligible Person for cause by the Group or the Eligible Person ceasing to be employed or engaged by the Group other than in circumstances where the Eligible Person is a Good Leaver (i.e. the Eligible Person ceasing to be an Eligible Person by reason of (i) their death or becoming, in the Board's view, totally and permanently disabled; (ii) attaining the statutory age of retirement; (iii) the engagement of the Eligible Person coming to an end by reason of the effluxion of time, but excluding any termination of the engagement by the Eligible Person before the end of the term of that engagement; or (iv) such other event as the Board determines);
  - (c) the Eligible Person bringing a body corporate in the Group into disrepute in the reasonable opinion of the Board;
  - (d) the Eligible Person becoming insolvent or bankrupt or otherwise being unable to pay his or her debts when due; or
  - (e) the transferring, mortgaging, charging, assigning or otherwise encumbering by the Eligible Person, or the Eligible Person attempting to transfer, mortgage, charge, assign or otherwise encumber any right or interest the Eligible Person may have in a security otherwise than in accordance with the Plan.
14. The exercise of Options that have vested may only take place during exercise periods consistent with the Company's Share Trading policy (and accordingly Eligible Persons are excluded from

For personal use only

exercising Options during a blackout period under that policy) unless otherwise provided in the invitation letter or nominated by the Board in writing.

15. No Options may be exercised, and the Company is not required to issue any Shares underlying any Options unless and until the vesting conditions for the Options have been met to the Board's satisfaction.
16. Option holders will only be entitled to participate in new issues if they have exercised their Options the exercise price of the Options may be varied in relation to any pro-rata issues in accordance with the terms set out in the Plan which reflect Listing Rule 6.22.
17. If there is a conversion of shares into a smaller or larger number there will be corresponding adjustment to the number of Options on issue and the exercise price will be adjusted in inverse proportion to that conversion.
18. If there is a pro-rata cancellation of shares, the number of Options will be reduced by a corresponding ratio and the exercise price will also be adjusted in inverse proportion to that ratio.
19. In the event there are any other types of capital reorganisation the number of Options or the exercise price of the Options or both will be reorganized in such a way that the Board considers necessary to ensure that the holders of Options do not receive a benefit that the holders of shares do not.
20. Options issued under the Plan may be transferred at the discretion of the directors and the Company may suspend the registration of a transfer for any period not exceeding 30 days.

## Annexure B

### Summary of the principal terms of the Trust

A summary of the principal terms of the Investorfirst Share Ownership Trust (**Trust**) is set out below:

1. The first trustee of the trust is FirstFunds Limited ABN 97 136 394 913, a wholly owned subsidiary of the Company (**Trustee**). The Company may replace the Trustee and appoint a new trustee in its place.
2. The Board may, from time to time, subject to any approval of the members of the Company required by law or by the Listing Rules, and in accordance with the Plan, invite any of the following persons to participate in the Trust and accept the grant of Share Rights:
  - (a) an employee of the Company or any of its subsidiaries;
  - (b) any independent contractor engaged by the Company (or any of its subsidiaries) and whom the Board has determined is an eligible person to participate in this Plan provided such determination is not contrary to section 83A-325 of the Tax Act or causes this Plan to cease to be an employee share scheme under the Tax Act or to qualify for class order relief referred to in clause 1.4(c) of the Plan; or
  - (c) a salaried director of the Company or any of its subsidiaries,  
  
(each an **Eligible Person**).
3. If any Eligible Person to whom an invitation has been made wishes to participate in the Trust, the Eligible Person must make an offer to participate in the Trust within the timeframe for acceptances nominated by the Trustee. The Trustee is under no obligation to accept any offer.
4. The Trustee must, where it accepts an offer from an Eligible Person, grant to the Eligible Person on the acceptance date the number of share rights specified in the invitation pursuant to which the offer was made.
5. The Trustee agrees to hold assets vested in it by the Company on trust for the Eligible Persons whose applications to participate in being granted rights to fully paid ordinary shares (**Share Rights**) under the Trust have been accepted (**Participants**).
6. The Board will determine which Eligible Persons are offered Share Rights and the terms on which such Share Rights are offered and exercisable by Participants. Share rights may not be transferred. Share rights will not be quoted on ASX.
7. In order to ensure that the Trust has sufficient shares to satisfy its obligation to provide shares to a Participant upon it exercising a Share Right, the Company may issue shares to the Trustee, procure that a third party transfers shares to the Trustee or lend money to the Trustee to acquire shares in the Company on market. All shares held by the Trustee will be held on behalf of Participants on the terms of the Trust.
8. The Company agrees to pay an initial settlement sum of \$100 to the Trustee and may also lend money or provide funds by way of grant to the Trust from time to time within a reasonable time of being requested to do so by the Trustee.
9. If at any time after the grant of Share Rights to a Participant there is a pro-rata issue of bonus shares and if after the record date for determining entitlements in relation to the issue of bonus

For personal use only

shares the Participant exercises any share rights, the Participant will be entitled to have the Trustee hold on his or her behalf the number of bonus shares which the Participant would have been entitled to had the Participant been entitled to exercise the relevant share rights on or before the record date and had done so.

10. Once a Participant is entitled to exercise a Share Right and call for the issue of those shares to it from the Trustee (**Allocated Shares**) a Participant will also be entitled to any bonus share issued or dividend declared by the Company in respect of Allocated Shares held by the Trustee on behalf of that Participant. A Participant will be entitled to receive all distributions paid on Allocated Shares as soon as practicable after receipt by the Trustee of the distributions.
11. Participants will be entitled to participate in any reorganisation or other alteration of capital in accordance with the terms set out in the Trust.
12. A Participant may, not later than 4 Business Days prior to any general meeting of the Company, direct the Trustee in writing as to how to vote Allocated Shares held by the Trustee on behalf of that Participant at that general meeting.
13. A Participant may exercise a Share Right at any time during the exercise period set out in their invitation letter provided that:
  - (a) the Participant exercises at least a minimum parcel;
  - (b) the exercise conditions (if any) in respect of the exercise of the Share Rights have been satisfied prior to the Participant giving the Trustee notice of the exercise; and
  - (c) the settlement date is at least 10 Business Days but not more than 3 months following the date the Company receives the notice of exercise
14. The Share Rights of a Participant will lapse and terminate on the first to occur of:
  - (a) the last day of the exercise period for the Share Rights immediately prior to the expiry date;
  - (b) 3 months after the date of receipt by the Participant of a notice from the Trustee allowing the Participant to exercise all but not some of their Share Rights where either the Participant is a Good Leaver or an accelerated vesting event has occurred (and these terms have the same meaning as is set out in the Plan summary in Annexure A);
  - (c) the Participant ceasing to be an Eligible Person other than as a Good Leaver;
  - (d) the Participant owning, having an interest in or controlling 5% or more of the issued capital or voting power of the Company;
  - (e) a Disqualifying Event (as defined in the Plan Summary in Annexure A) occurring in relation to the Participant; and
  - (f) a distribution of the Trust Fund by the Trustee.
15. Participants may also be able to salary sacrifice their exercise of Share Rights. Each time a salary sacrifice is made by a Participant, an amount of the exercise price of Share Rights to which the offer related will be taken to have been paid.
16. A Participant may, at any time, pre-pay to the Trustee the whole or any part of the unpaid amount of the exercise price of Share Rights which the Participant may exercise.

For personal use only



17. A Participant must pay the whole of the unpaid amount of the Exercise Price of Share Rights to the Trustee:
- (a) on the settlement date (being within 3 months of the date on which the Share Rights were exercised);
  - (b) on exercise of Share Rights by a Participant in the circumstances described in item 14(b) above; or
  - (c) if directed by the Company, on termination of the employment of the Participant with the Company (where the Participant is a Good Leaver) provided that a Disqualifying Event has not occurred.
18. If a Participant is required to make a payment to the Trustee as set out in item 17 above and does not do so, the Participant agrees to forfeit his or her interest in that number of Allocated Shares (rounded up to the nearest whole number), the aggregate market value of which (calculated on the business day immediately prior to the settlement date) equals the unpaid amount of the exercise price.
19. If all of the Participant's interest in Allocated Shares is forfeited and there is still an amount of the exercise price of the Participant's exercised Share Rights outstanding, the Participant must pay that outstanding amount to the Trustee within 14 days of being notified of the shortfall.
20. If a Disqualifying Event occurs in respect of a Participant, that Participant's interest in any shares held as part of the assets of the Trust is immediately forfeited.
21. The Company may in its absolute discretion from time to time by notice in writing direct the Trustee to apply any forfeited share or unallocated share in one or more of the following ways:
- (a) to hold such a share for the benefit of, or to transfer it to, any Participant or other Eligible Person;
  - (b) to apply the proceeds from the sale of any forfeited share or unallocated share to repay any loan provided by the Company to the Trust; or
  - (c) to transfer such a share to any provident, benefit, superannuation or retirement fund established and maintained by the Company or for the Company's employees in which the Company is not beneficially interested.
22. The Trustee is entitled to be indemnified on a full indemnity basis out of the assets for any liability incurred by the Trustee in performing or exercising any of its powers or duties in relation to the Trust.
23. The Trustee may make such adjustments as it thinks fit to the shares and benefits distributable to Participants (including on withdrawal) so as to provide for or to pay any tax or other charges that may accrue to the Trustee in respect of the operation of the Trust.
24. All expenses incurred by the Trustee in connection with the Trust or in performing its obligations under this deed are payable or reimbursable by the Company, to the extent they are not met out of the assets of the Trust.
25. Although salaried or executive directors are eligible to be offered Share Rights under the Trust, this would first require specific shareholder approval under the ASX Listing Rules and potentially the Corporations Act.

24 October 2011

The Company Secretary  
Investorfirst Limited  
Level 45, Governor Phillip Tower  
1 Farrer Place  
Sydney NSW 2000

Dear Sir,

I, Ian Litster, in my capacity as Director of Litster & Associates Pty Ltd, being a member of Investorfirst Limited, pursuant to Section 328B(1) of the *Corporations Act 2001*, hereby nominate PKF, Chartered Accountants, of Level 10, 1 Margaret Street, Sydney, for appointment as auditor of Investorfirst Limited and controlled entities as listed in Appendix A at the next Annual General Meeting or any adjournment thereof, subject to the resignation of Ernst & Young.

I consent to the distribution of a copy of this notice of nomination as an annexure to the Notice of Meeting and Explanatory Memorandum for the 2011 Annual General Meeting of the Company as required by section 328B(3) of the *Corporations Act 2001*

Yours faithfully



**Ian Litster**  
Director  
Litster & Associates Pty Ltd

For personal use only

**Appendix A: Investorfirst Ltd Controlled Entities**

<b>Name of Entity</b>	<b>Country of Incorporation</b>	<b>Equity Holding %</b>
HUB24 Custodial Services Ltd	Australia	100
HUB24 International Nominees Pty Ltd	Australia	100
Capfirst Securities Ltd	Australia	100
Firstfunds Ltd	Australia	100
INQ Management Services Ltd	Australia	100
Investorfirst Securities Ltd	Australia	100
HUB24 Nominees Pty Ltd	Australia	100
Researchfirst Pty Ltd	Australia	100
Captain Starlight Nominees Pty Ltd	Australia	100
Findlay & Co Stockbrokers Ltd	Australia	100
Aeque Capital Ltd	Australia	100
HUB24 Pty Ltd	Australia	100
Utrade Securities Pty Ltd	Australia	100
HUB24 Services Pty Ltd	Australia	100
Marketsplus Holdings Pty Ltd	Australia	100
Marketsplus Australia Pty Ltd	Australia	100
Alert Trader Pty Ltd	Australia	81
Alert Trader Investment Management Pty Ltd	Australia	81
Alert Trader Publishing Pty Ltd	Australia	81
Alert Trader Securities Pty Ltd	Australia	81

For personal use only



FOR ALL ENQUIRIES CALL:

(within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

FACSIMILE

+61 2 9290 9655

## Name and Address

ALL CORRESPONDENCE TO:

Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001  
Australia
**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction on the form. Securityholders sponsored by a broker should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

## YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 11.00am Saturday, 26 November 2011

## TO VOTE BY COMPLETING THE PROXY FORM

**STEP 1 Appointment of Proxy**

Indicate here who you want to appoint as your Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

**Proxy which is a Body Corporate**

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

**Appointment of a Second Proxy**

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

**STEP 2 Voting Directions to your Proxy**

You can tell your Proxy how to vote

To direct your proxy how to vote, place a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

**STEP 3 Sign the Form**The form **must** be signed as follows:**Individual:** This form is to be signed by the securityholder.**Joint Holding:** where the holding is in more than one name, all the securityholders must sign.**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.****STEP 4 Lodgement of a Proxy**

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at **11.00am on Monday, 28 November 2011**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

**Proxies may be lodged using the reply paid envelope or:****BY MAIL** - Share Registry – Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia**BY FAX** - + 61 2 9290 9655**IN PERSON** - Share Registry – Boardroom Pty Limited, Level 7, 207 Kent Street, Sydney NSW 2000 Australia**Attending the Meeting**

If you wish to attend the meeting please bring this form with you to assist registration.

Investorfirst Limited

<Address 1>  
 <Address 2>  
 <Address 3>  
 <Address 4>  
 <Address 5>  
 <Address 6>

<BARCODE>

**STEP 1 - Appointment of Proxy**

I / We being a member/s of **Investorfirst Ltd** and entitled to attend and vote hereby appoint

the Chairman of the Meeting (mark with an 'X') **OR**

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **Annual General Meeting of Investorfirst Limited to be held at Level 45 Governor Phillip Tower - 1 Farrer Place, Sydney NSW 2000 on Monday, 28 November 2011 at 11.00am** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

If the Chairman of the Meeting is appointed as your proxy or may be appointed by default, and you do not wish to direct your proxy how to vote in respect of resolution 1, please mark this box. By marking this box, you acknowledge that the Chairman of the Meeting may vote as your proxy even if he has an interest in the outcome of the resolution and votes cast by the Chairman of the Meeting for those resolutions, other than as proxy holder, will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called. The Chair intends to vote all undirected proxies in favour of the resolution.

No undirected proxies to the Chairman or Key Management Personnel will be voted on Resolution 1, Adoption of Remuneration Report. You are encouraged to direct your proxy by marking the box in relation to the resolution in the section below.

**STEP 2 - Voting directions to your Proxy – please mark  to indicate your directions**

Business		For	Against	Abstain*
Resolution 1	Remuneration Report (non-binding resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director, Mr. Robert Spano	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Director, Mr. Jason Entwistle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Director, Mr. Hugh Robertson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Investorfirst Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Investorfirst Share Ownership Trust	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

In addition to the intentions advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of business.

\*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**STEP 3 - PLEASE SIGN HERE** This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director/Company Secretary

Contact Name .....

Contact Daytime Telephone ..... Date / / 2011