

Spotless

Dividend Reinvestment Plan

Spotless Group Limited
ABN 77 004 376 514
Level 3, 350 Queen Street
Melbourne Victoria 3000



Contents

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- 1 Summary of Features
- 3 Questions & Answers
- 8 Terms & Conditions

Registered Office

Spotless Group Limited
Level 3, 350 Queen Street,
Melbourne Vic 3000
Telephone (03) 9269 7600
Facsimile (03) 9269 7712

Share Registry

Computershare Registry Services Pty Limited
Level 12, 565 Bourke Street,
Melbourne Vic 3000
Telephone (03) 9615 5970
Facsimile (03) 9611 5710

Summary of Features

Election to Apply Dividend

You may elect to have dividends paid on some or all of your fully paid ordinary shares in Spotless Group Limited (the Company) automatically reinvested in new Spotless Group Limited shares.

The details of the Dividend Reinvestment Plan (DRP) are contained in the Terms and Conditions which follow this outline.

Issue Price

Shares issued under the DRP may be allotted at a price based on the weighted average market price.

The level of any discount applicable to allotments in satisfaction of a particular dividend, will be determined by the Directors and advised to shareholders at the times when each dividend is announced.

No Additional Costs

Shares are issued to you free of brokerage, commission and stamp duty costs.

Summary of Features

(Continued)

Shares Rank Equally

Shares issued under the DRP will rank equally with existing ordinary shares.

Participation is Optional

By following the required procedure, you may elect to join, vary your participation, or withdraw from and re-enter the DRP. You may participate for all or only a part of your total shareholding, as you elect.

Overseas Shareholders will be subject to any legal constraints applying in their own countries.

Shares participating in the Plan or acquired under the Plan may be sold at any time and those shares will be automatically withdrawn from participation in the Plan on registration of the transfer.

Statements

A statement or statements for the new shares will be forwarded following each dividend payment and will give you details of your participation in the DRP.

Questions & Answers

What is the Spotless Group Limited Dividend Reinvestment Plan?

The DRP is a convenient way for you to increase your shareholding in the Company by reinvesting your dividends in additional shares, calculated on market price less any applicable discount, free of brokerage, commission, stamp duty and other costs.

Participation in the DRP is entirely voluntary and you may join and leave the DRP whenever you wish.

Who can participate?

All shareholders who are Australian residents and hold 500 or more shares can participate. Non-residents may be subject to laws which prevent participation.

Is participation optional?

Yes. The decision is entirely yours.

Can I participate partially in the DRP?

Yes, by nominating a specific number of your shares, part of your dividend may be reinvested in new shares. Your dividend entitlement on any shares not participating in the DRP will be paid in cash. Participation on the nominated number of shares will continue unless you lodge a Notice of Dividend Election/Variation/Termination.

Questions & Answers

(Continued)

Please note, however, that the Directors reserve the right to specify and change from time to time the number of shares eligible for participation in the DRP.

Full participation, on the other hand, maximises the benefits of DRP, as all dividends on shares held now or in the future will be reinvested in new shares.

How do I participate in the DRP?

Complete the Notice of Dividend Election/Variation/Termination specifying whether you would like full or limited participation. Should you select limited participation, please nominate how many of your shares are to participate. The Notice of Dividend Election/Variation/Termination should then be returned to the Company's Share Registry in the envelope provided.

When will my participation begin?

Participation begins with the first dividend payment after receipt of your Notice of Dividend Election/Variation/Termination. The form must be received not later than 5.00 pm on the Record Date for the relevant dividend.

What happens if I have more than one shareholding?

You will need to lodge a separate Notice of Dividend Election/Variation/Termination for each registered shareholding.

Can I change my participation at any time?

Yes. Simply complete the Notice of Dividend Election/Variation/Termination enclosed with these Terms and Conditions or request a form from the Share Registry.

The Notice of Dividend Election/Variation/Termination will be effective from the next dividend payment but the form must be received not later than 5.00 pm on the Record Date for the relevant dividend.

At what price will the shares be allotted?

Shares will be allotted based on the weighted average market price of all Spotless Group Limited ordinary fully paid shares sold on the Australian Stock Exchange during the five trading days comprising the Record Date and the four preceding ASX business days for the determination of the relevant dividend. Any applicable discount will be advised to shareholders at the time each dividend is declared.

In the event of there being no trade in fully paid ordinary shares of Spotless Group Limited during that period, the Directors shall, at their discretion, fix a price which, in their opinion is reasonable in the circumstances.

What will it cost me to participate?

You will not be charged brokerage fee, commission or stamp duty for any allotment of shares under the DRP. All administration costs of the DRP will be met by the Company.

Can I sell my shares when I choose?

You can sell any or all of your shares at any time, including your DRP shares. If you are not fully participating in the DRP you are deemed to dispose of your non-DRP shares first, unless you notify us to the contrary. To notify, simply lodge a Notice of Dividend Election/Variation/Termination promptly after sale, but not later than 5.00 pm on the Record Date for the relevant dividend.

Should you want to sell shares shortly before the Record Date for the determination of your dividend entitlements, you should inform your stockbroker that your shares are participating in the DRP. You should also immediately send a Notice of Dividend Election/Variation/Termination to the Share Registrar advising of your withdrawal from the DRP. This will avoid a further small parcel of shares being issued to you under your DRP allotment.

Questions & Answers

(Continued)

What about taxation?

For Australian residents, dividends reinvested under the Plan will be assessable for income tax and, under the present dividend imputation legislation, credits will be available in respect of franked amounts.

Shares allotted under the Plan could be subject to the capital gains tax legislation.

The Company takes no responsibility for the taxation liabilities of participants and if you are uncertain as to your taxation position, you should consult your own adviser.

When will I receive a statement?

After each DRP issue you will be sent a statement or statements showing:

- the number of DRP shares held prior to the issue;
- the amount of the latest dividend;
- the issue price of the DRP shares allotted under the dividend;
- and the new total holding including the latest DRP issue.

What rights attach to the shares?

Shares issued under the DRP will rank equally in every respect with existing issued fully paid ordinary shares of the Company and will participate in the DRP for all dividends subsequently declared or paid unless varied by the provision of a Notice of Dividend Election/Variation/Termination by the participating shareholder.

Can the DRP be modified or cancelled?

The DRP may be varied, suspended or terminated by the Directors of the Company at any time by giving participants written notice as provided by the Plan Terms and Conditions.

Enquiries

If you have any enquiries (other than taxation) about how the DRP operates and how you can participate, write or telephone:

Spotless Group Limited
Share Registrar
Computershare Registry Services Pty Limited
GPO Box 2975EE
Melbourne Victoria 3001

Telephone (03) 9615 5970
Facsimile: (03) 9611 5710

Shareholders are advised to read the detailed "Terms and Conditions" of the Plan and not to rely on these summarised features of the DRP.

Terms & Conditions

The Plan will commence operation on the date nominated by the Directors.

▶ 1. INTERPRETATION

In these Terms and Conditions, unless the context otherwise requires:

"ASX" means Australian Stock Exchange Limited;

"Company" means Spotless Group Limited ABN 77 004 376 514;

"Constitution" means the Constitution of the Company as in force from time to time;

"Directors" means the Directors of the Company acting as a board or any duly appointed committee of the board;

"Dividend" means a cash dividend or cash component of dividend paid by the Company;

"DRP Shares" means the Shares in respect of which a Shareholder has elected to participate in the DRP;

"Non-Participating Shares" means Shares which are not subject to the Plan;

"Notice of Dividend Election/Variation/Termination" ("The Notice") means the application to participate or notice to vary or terminate participation in the Plan in the form/s that the Directors from time to time approve;

"Ordinary Shares" – "Shares" means fully paid ordinary shares in the capital of the Company;

"Participant" means a Shareholder whose application to participate in the Plan has been accepted by the Directors;

"Participating Shares" means Shares in respect of which the Directors have accepted a Shareholder's election in accordance with these Terms and Conditions, to participate in the Plan;

"Plan or DRP" means the Spotless Group Limited Dividend Reinvestment Plan implemented and maintained by the Directors pursuant to the Constitution, the terms of which are set out in these Terms and Conditions;

"Register" means the Company's register of members;

"Record Date" means a date on which the Register is closed for determining dividend entitlements in respect of shares pursuant to the Listing Rules of the ASX;

"Shareholder" means a person registered as the holder of Shares other than a person with a registered address in any place where, in the opinion of the Directors, participation or the making of an offer or invitation to participate in the Plan would require the issue of a prospectus under overseas law;

"Share Register" means the Company's register of Shareholders;

"Share Registrar" means the Manager of the Share Register from time to time;

"Terms and Conditions" means these Terms and Conditions as amended by Directors of the Company from time to time;

"USA" means the United States of America (including the District of Columbia), its territories and possessions and other areas subject to its jurisdiction; and

"US Person" means a citizen, national or resident of the USA, a corporation, partnership or other entity created or organised in or under the laws of the USA or an estate or trust the income of which is subject to USA federal income taxation regardless of its source.

In this Plan, unless the context otherwise requires:

- (a) words importing the singular include the plural and vice versa;
- (b) words importing a gender include any gender;
- (c) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate;
- (d) a word or expression in these Terms and Conditions that deals with a matter dealt with by a provision of the Constitution has the same meaning as in that provision; and
- (e) reference to any time is to Australian Eastern Standard Time or Eastern Standard Summer Time as applicable.

▶ 2. PARTICIPATION IN THE PLAN

- 2.1 Participation in the Plan is subject to these Terms and Conditions.
- 2.2 Participation in the Plan is optional and not transferable.
- 2.3 Subject to sub-clauses 2.4, 2.5 and 2.6 all Shareholders are eligible to participate in the Plan.
- 2.4 The Directors may decline to accept an application to participate from a Shareholder and may, by written notice to a Shareholder, cancel his participation for any reason where:
 - (a) a Shareholder does not comply with a term of participation in the Plan; or

Terms and Conditions (Continued)

(b) either the law of Australia or of another country or some other matter or thing, in the opinion of the Directors, makes his participation in the Plan illegal, impracticable or undesirable; or

(c) the number of Participating Shares held by a Shareholder is less than 500 or such other maximum or minimum number as the Directors may determine from time to time.

2.5 Due to the present restrictive laws of the USA, the Directors have decided not to accept any application to participate from a Shareholder who is a US Person and who has a registered address in the USA or a territory thereof.

2.6 The Directors are not obliged to give any reasons for or state the grounds on which they form an opinion under paragraph 2.4(b).

▶ 3. APPLICATION TO PARTICIPATE (ENTRY TO THE PLAN)

3.1 Application to participate in the Plan must be made by forwarding a duly completed and executed The Notice to the Share Registrar.

3.2 An application by joint holders of Shares must be signed by each joint holder.

3.3 If signed by an authorised officer a certified copy of the resolution of Directors appointing the officer must either have been produced previously to the Company or accompany The Notice.

3.4 If signed by an attorney, the relevant power of attorney must either have been produced previously to the Company or accompany The Notice.

3.5 To be effective with respect to a particular dividend payment, The Notice must be received by the Share Registrar on behalf of the Company before the Record Date for that payment.

3.6 By giving a signed The Notice to the Company a Shareholder will be taken to have:

(a) agreed to be bound by these Terms and Conditions and any determination or resolution made by the Directors in accordance with them;

(b) declared to the Company that:

i. he is not a US Person and that Shares acquired hereunder will not be acquired or held for the account or benefit of a US Person or with a view to the offer, sale or delivery (directly or indirectly) to a US Person or in the USA; and

ii. he has satisfied and will satisfy the conditions (if any) which he is or may be required by law to satisfy in order to participate in the Plan; and

(c) agreed to be bound by the Constitution in respect of all Shares allotted to the Shareholder under the Plan.

▶ 4. LEVEL OF PARTICIPATION

4.1 A Shareholder eligible for participation in the Plan must specify on The Notice the degree to which he wishes to participate in the Plan. The permissible degrees of participation are set out in the following sub-clauses.

4.2 Full Participation:

(a) A Shareholder may choose full participation in the Plan.

(b) A Shareholder who so chooses will be deemed to have elected to participate in respect of all Shares registered in his name including Shares allotted to him pursuant to this Plan and Shares purchased or otherwise acquired by him after the date of acceptance of his application.

4.3 Partial Participation:

(a) A Shareholder may choose partial participation in the Plan.

(b) Subject to sub-Clause 4.3(c), a Shareholder who so chooses will be deemed to have elected to participate in respect of the number of Shares specified by him (where fewer than his total shareholding). The number of shares so specified will be the only Participating Shares in respect of the Shareholder and will not change unless the Shareholder gives The Notice increasing or decreasing the number of his Participating Shares in accordance with Clause 9.

(c) If at a Record Date the number of Shares held by a Participant is fewer than the number specified by him, then these Terms and Conditions will, in respect of the dividend to which that Record Date relates, apply only to that fewer number of Shares and the Participant will be deemed to be a full Participant until the number of Shares held by him (including Shares allotted under the Plan) again exceeds the number of Shares so specified.

(d) The nomination of a percentage of shares will be ineffective and will be deemed an election NOT to participate in the Plan. ALL NOMINATIONS MUST SPECIFY A NUMBER OF SHARES.

4.4 The Notice which is complete, but does not specify the number of shares to participate in the Plan will, without reference to the Shareholder, be deemed to be for full participation and the Company will not be liable to the Shareholder for any loss, damage or claim in respect of that Shareholder's participation as a result of the operation of this provision.

4.5 Shareholders Having Multiple Shareholding Accounts.

(a) Where a person holds Shares in more than one shareholding account in the Register (whether in the same or similar names or not) the Shares in each such account will be deemed, for the purposes of these Terms and Conditions, to be held by a separate Shareholder and "Shareholder" and "Participant" are to be construed accordingly.

(b) Where a person who holds Participating Shares in one or more shareholding accounts and Non-Participating Shares in another such account or other such accounts becomes the registered holder of additional Shares:

Terms and Conditions (Continued)

- i. by reason of a transfer of Shares from another person; or*
- ii. in consequence of an allotment of Shares pursuant to an acceptance of renounceable rights or an exercise of options, being rights or options which were transferred to the Shareholder from another person,*

and the instrument of transfer relating to the transfer of shares or the transfer of rights or options (as the case may be) which is lodged for registration with the Company fails to identify correctly an existing shareholding account of the Shareholder to which the transferred Shares or allotted Shares (as the case may be) are to be added, the Shares concerned will be allocated to a shareholding account of the Shareholder in respect of which the Shareholder does not participate in the Plan, and the Shares concerned will not be Participating Shares.

- (c) To identify correctly a shareholding account, the name, address, account number (if any) and account designation (if any) specified by the transferee in the instrument of transfer must be identical to the name, address, account number and account designation specified in relation to that shareholding account in the Share Register.

5. REINVESTMENT OF DIVIDENDS

- 5.1 Subject to sub-Clauses 5.2 and 5.6, each dividend which is payable to a Participant in respect of Participating Shares will be paid to the Participant by being applied by the Company on the Participant's behalf in subscribing for Shares.
- 5.2 Sub-Clause 5.1 does not apply to the extent that:
 - (a) the Company lawfully retains or pays to a third party the dividend or any part of it (in particular, without limiting the generality of this provision, on account of withholding or other tax); or
 - (b) the Company has a lien or charge in respect of the dividend or any part of it.
- 5.3 In respect of each cash dividend payable to the Participant, the Company will:
 - (a) determine the amount of the dividend payable in respect of the Participating Shares that is to be applied pursuant to sub-Clause 5.1 in subscribing for Shares;
 - (b) calculate the number of shares to be allotted in accordance with these Terms and Conditions, in particular sub-Clause 5.3(a); 5.4; 5.5 and 5.7;
 - (c) allot that number of Shares to the Participant;
 - (d) where required, issue a holding statement showing the number of Shares allotted to the Participant;
 - (e) hold on account any residual balance remaining after allotment, for inclusion in the amount for reinvestment at

the next dividend period, or pay any residual balance to the Shareholder if the Shareholder gives notice to terminate participation in the Plan.

- 5.4 Shares will be allotted under the Plan at a price equal to the weighted average market price of all of the Company's fully paid Shares sold (that is, the arithmetic mean price of each Share sold on the Stock Exchange Automated Trading System of the ASX during the five trading days comprising the Record Date and the four preceding ASX business days for the relevant dividend), adjusted if and as the Directors in their sole discretion so resolve, reduced by such discount as the Directors in their sole discretion may determine.
- 5.5 For the purposes of the Plan the market price shall be determined by the Company from information obtained from the ASX or an investment/trading service using ASX data. The weighted average market price to be used for the purposes of this clause shall be calculated by the Directors and, in the absence of any manifest error, is binding on Participants.
- 5.6 In the event of there being no trade in Spotless Group Limited shares during that period, or if the Directors consider the market selling price does not represent a fair market value of such shares, the Directors shall, at their discretion, fix a price which, in their opinion, is reasonable in the circumstances.
- 5.7 The number of Ordinary Shares issued to each Participant will be the whole number equal to, or when not a whole number, the nearest whole number below the number calculated by the formula;

$$\frac{(PS * D) - T}{C}$$

Where: **PS** is the number of Participating Shares

Where: **D** is the amount of the dividend per share payable in respect of the Participating Shares.

Where: **T** is any withholding tax or other sum the Company is entitled to retain in relation to the dividend or the Shares

Where: **C** is the subscription price per Share determined in accordance with sub-Clause 5.4.

6. SHARES ALLOTTED UNDER THE PLAN

- 6.1 Allotment of Shares under the Plan will be made within the time required by the Listing Rules of the ASX.
- 6.2 Shares allotted under the Plan will be credited as fully paid and will rank equally in all respects with the existing Shares and will participate in all dividends subsequently declared in respect of Shares. Shares allotted and issued to a Participant under the Plan will be registered:
 - (a) if the Shares already held by the Participant are registered on one Register – on that Register; or

Terms and Conditions (Continued)

- (b) if the Shares already held by that Participant are registered on more than one Register – on the Register designated by that Participant or, in the absence of a designation, on the Register on which the greater number of Shares is held.

▶ 7. COST TO PARTICIPANTS

No brokerage, commission, stamp duty or other transaction costs will be payable by Participants in respect of the allotment of Shares under the Plan.

▶ 8. STATEMENTS TO PARTICIPANTS

- 8.1 After each allotment of Shares under the Plan, the Company will forward to each Participant such statement or statements as at the relevant dividend payment date, which detail:
 - (a) the number of Participating Shares held by the Participant excluding those Shares last allotted to the Participant under the Plan;
 - (b) the amount of the last dividend applied towards subscription for additional Shares and the amount of the residual balance of the Dividend to be held on account for the Participant;
 - (c) the allotment price of the last Shares allotted to the Participant under the Plan;
 - (d) the number of Shares allotted to the Participant under the last Plan allotment; and
 - (e) the Participant's total holding of Shares after allotment.

▶ 9. VARIATION TO OR TERMINATION OF PARTICIPATION

- 9.1 Subject to Clause 11 and without limiting the operation of sub-Clause 2.4(c) and 4.2(b), a participant may at any time give notice in writing to the Company to:
 - (a) increase or decrease the number of his Participation Shares; or
 - (b) terminate his participation in the Plan.The Notice must be given for each shareholding account.
- 9.2 To be effective for a dividend payment, The Notice must be received by the Company prior to the Record Date for that payment.
- 9.3 Such notice must be given in the form of The Notice supplied by the Company, through the Share Registrar.
- 9.4 If The Notice increases the level of participation in the Plan to full participation, all of the Shareholder's Shares as at the date of The Notice and shares subsequently acquired by the Shareholder (including Shares allotted under the Plan) shall be DRP Shares.
- 9.5 A Participant may, at any time, terminate his participation in the Plan by lodging a duly completed and executed The Notice.

- 9.6 Subject to sub-Clause 9.8, if a Participant dies, his participation in the Plan will be terminated upon receipt by the Company of a notice of death.
- 9.7 Subject to sub-Clause 9.8, if a Participant is declared bankrupt his participation in the Plan will be terminated upon receipt by the Company of a notification of bankruptcy from the Participant or his trustee in bankruptcy.
- 9.8 Where Participating Shares are held by joint holders and one dies or becomes bankrupt the Participating Shares will continue to be Participating Shares unless the remaining joint holder gives notice in writing to the Company in the form of The Notice to terminate participation in the Plan.
- 9.9 Notwithstanding sub-Clauses 9.6, 9.7 and 9.8, a Participating Share will not cease to be one until, if the Directors so determine, an appropriate entry has been made in the Register.

▶ 10. REDUCTION OR TERMINATION WHERE NO NOTICE IS GIVEN

- 10.1 If the holding of a Participant is disposed of, then unless otherwise notified to the Company in writing:
 - (a) if the number of Shares disposed of is less than the number of the Non-Participating Shares, the Shares disposed of will be deemed to be Non-Participating Shares; and
 - (b) if the number of Shares disposed of is more than the number of the Non-Participating Shares, the Shares disposed of will be deemed to be all of the Non-Participating Shares, together with such additional number of the Participating Shares as may be necessary to identify and transfer the total number of Shares disposed of.
- 10.2 Where all of a Participant's Shares are DRP Shares, in the event that only some of these Shares are disposed of, the remaining Shares held by the Participant will continue to be DRP Shares.
- 10.3 If the entire holding of a Participant is disposed of without giving notice of termination of participation in the Plan and the Participant is not registered as the holder of any Shares on the following Record Date, the Participant will be deemed to have given notice to terminate participation in the Plan on the last date when the Company registered a transfer or instrument of disposal of the Participant's Shares.

▶ 11. APPLICATIONS AND NOTICES

- 11.1 Subject to sub-Clause 11.2 applications and notices shall be in such written form and be delivered in such manner as the Company may from time to time prescribe.
- 11.2 Applications to participate in the Plan, are accepted when the Company enters details in its records of the Shareholder's participation in the Plan.

Terms and Conditions (Continued)

▶ 12. MODIFICATION AND TERMINATION OF THE PLAN

- 12.1 The Plan may be modified, suspended or terminated by the Company at any time upon giving notice to the Shareholders.
- 12.2 In the case of modification, existing Participants will continue under the modified Plan unless the Company is notified to the contrary on The Notice.
- 12.3 Notice of any modification, suspension or termination may be given by the Company in such manner as the Directors may determine.
- 12.4 The accidental omission to give notice of modification, suspension or termination or the non-receipt of any notice by any Shareholders shall not invalidate the modification, suspension or termination of the Plan.
- 12.5 The Directors may make minor amendments (of an administrative or procedural nature) to the Terms and Conditions from time to time without the need to give any notice to Shareholders.

▶ 13. STOCK EXCHANGE LISTING

The Company will promptly apply for the Shares allotted under the Plan to be listed for quotation on the official list of the ASX and such other official exchange or exchanges as may from time to time have accepted the fully paid Shares in the Company for listing.

▶ 14. TAXATION

Neither the Company nor the Directors take any responsibility for any taxation liability of a Participant.

▶ 15. ADMINISTRATION OF THE PLAN

- 15.1 The Plan will be administered by the Directors who have the power to:
- determine appropriate procedures for administration of the Plan consistent with the Provisions of these Terms and Conditions.
 - resolve conclusively all questions of fact or interpretation in connection with the Plan;
 - delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of any of their powers or discretions arising under the Plan;
 - amend or add to these Terms and Conditions in accordance with Clause 12; and
 - waive strict compliance by the Company or any Shareholder with any of these Terms and Conditions.

▶ 16. GENERAL

- 16.1 The Company may at any time by notice in writing to Participants limit the amount of dividend which may be applied towards Shares under the Plan.
- 16.2 While Shares which a Participant has nominated as participating in the Plan are subject to a charge or lien in favour of the Company, they shall, unless:
- otherwise provided in the Terms and Conditions thereof, or
 - the Directors otherwise determine,
- be treated as Non-Participating Shares.
- 16.3 Participating Shares shall be deemed to be Non-Participating Shares in respect of any dividend payment in respect of those Shares that is retained or capitalised wholly or partly in accordance with the Company's Constitution.
- 16.4 The Plan and its operation and these Terms and Conditions are governed by the laws of Victoria and each Participant submits to the exclusive jurisdiction of the Courts of that State.
- 16.5 The entries made in the Register pursuant to these Terms and Conditions are conclusive in determining whether or not a Share is a Participating Share.
- 16.6 Neither the Company nor the Directors will be liable in any way to Shareholders for errors or omissions in the making of such entries.

▶ 17. PARTICIPANTS TO BE BOUND

Participants are at all times bound by these Terms and Conditions as modified from time to time.