

DATED

25 July 2022

SALE OF EQUITY

VerifyNow



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THIS AGREEMENT is made on the day of .

PARTIES

- 1 **Helen Hill ATF Hill Family Trust** of 41 Nunan Crescent, Oxley in the Australian Capital Territory
(Seller);
- 2 **JL Cade Super Fund Pty Ltd ACN 659 773 056 as trustee for JL Cade Super Fund ABN 57 360 621 849** of 11 Newman Road, Moorooka in Queensland
(Buyer)
- 3 **Jeremy Lee Cade** of 11 Newman Road, Moorooka in Queensland
(Key Person).
- 4 **VerifyNow Pty Ltd ACN 643 420 311** of P2 Advisory, Level 3 59 Wentworth Avenue, Kingston in the Australian Capital Territory;
(‘VerifyNow’)

BACKGROUND

- A. This Agreement sets out the terms upon which the Seller has agreed to sell and the Buyer has agreed to buy the Equity.
- B. The Owners own shares in the Company in the proportions as set out in Schedule 1.
- C. The Owners have waived their rights of pre-emption as contained in the Owners Agreement.
- D. The Owners have unanimously resolved to admit the Buyer as a shareholder in the Company.
- E. The Key Person controls the Buyer.
- F. The Company has joined in this Agreement to take notice of its provisions.

OPERATIVE PROVISIONS

1 INTERPRETATION

1.1 Definitions

The following words have these meanings in this Agreement unless the contrary intention appears:

Accounts means the account of the Company.

Agreement means this Agreement for the sale of the Equity.

Business Day means any day which is not a Saturday, Sunday or a public holiday in the Australian Capital Territory.

Business means the business of providing and processing pre-employment background screening checks and recruitment services carried on by the Company.

Buyer Warranties mean the warranties set out in Schedule 4.

Company means VerifyNow Pty Ltd ACN 643 420 311.

Completion means the completion of the sale of Equity as contemplated by this Agreement.

Completion Date means the date on which Completion takes place.

Corporations Act means the Corporations Act 2001 (Cth).

Deed of Adherence means the deed in the form set out in Schedule 5.

Encumbrance means a mortgage, charge, pledge, lien, title retention, preferential right, pre-emptive right, option, right of first refusal or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect, including any "security interest" as defined in sections 12(1) or (2) of the PPSA, but excluding any charge or lien arising by operation of law.

Equity means the Seller's interest in Shares in the Company the subject of the sale in this Agreement as set out in Schedule 2 Part A.

Goodwill means the goodwill of the Business.

GST Act means the A New Tax System (Goods and Services Tax) Act 1999.

GST has the meaning given to it in the GST Act.

Owners mean the Owners as identified in Schedule 1.

Partners means the Owners.

Premises mean Unit 2/9 Lyell Street, Fyshwick in the Australian Capital Territory.

PPSA means the Personal Property Securities Act 2009 (Cth).

PPS Register means the register established under section 147 of the PPSA.

Purchase Price means the purchase price payable as set out in Schedule 2 Part A. .

Seller Warranties means the warranties set out in Schedule 3.

Shares mean Ordinary shares in the Company of which the Seller is the registered holder at the date of this Agreement.

Tax means any tax, levy, excise, duty, charge, surcharge, withholding tax or impost of whatever nature, whether direct or indirect, however collected or recovered, together with any fees, penalties, fines, interest or statutory charges.

1.2 Interpretation

In this Agreement unless the contrary intention appears:

- (a) A reference to:
 - (i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

- (ii) a party to this Agreement includes a permitted substitute or a permitted assign of that party;
- (iii) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
- (iv) dollars or \$ is to an amount in Australian currency, unless stated otherwise.
- (b) The singular includes the plural and vice versa, and a word of any gender includes the corresponding words of any other gender.
- (c) If a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning.
- (d) If anything required to be done under this Agreement is due on a day that is not a Business Day, the day or the last day for compliance is deemed to be the next day that is a Business Day.
- (e) Headings do not affect the interpretation of this Agreement.
- (f) The word 'include' is used without any limitation.
- (g) Any clause relating to more than one party binds those parties jointly and severally.
- (h) This Agreement is not to be interpreted against the interests of a party merely because that party proposed this Agreement or some provision in it or because that party relies on a provision of this Agreement to protect itself.

2 SALE OF EQUITY

2.1 Sale of Equity

On the Completion Date, the Seller sells its Equity to the Buyer for the Purchase Price free from any Encumbrance and on the terms and conditions of this Agreement.

2.2 Discharge of Entitlements

The Seller accepts the payment of the Purchase Price in full and final discharge and satisfaction of all rights and entitlements conferred upon them with respect to:

- (a) the Shares.

as set out in Schedule 2 Part A

2.3 Title and Risk

Title to, property in and risk of the Seller's Equity will pass to the Buyer on the Completion Date.

3 COMPLETION

3.1 Time and Place

Completion will take place on the Completion Date at a time and place agreed by the Parties.

3.2 Seller's Obligations at Completion

At Completion, Seller must do all things and sign all documents required to give to the Buyer its Equity, including:

- (a) share certificates in respect of the Shares (if any);
- (b) executed transfer forms for the Shares to the Buyer; and
- (c) evidence of the release of any Encumbrance where available (if any).

3.3 Buyers obligations at Completion

At Completion, the Buyer must pay the Seller the Purchase Price.

3.4 Meetings of Directors

Immediately after Completion,

- (a) the Company will hold a meeting of its directors at which the directors will resolve the approval of the transfer of the Shares to the Buyer.

3.5 Notification of ASIC

As soon as practicable after the Completion Date, the Company will notify the Australian Securities and Investments Commission of the transfer of the Shares.

4 WARRANTIES

4.1 The Seller's Warranties

The Seller represents and warrants to the Buyer that each of the Seller's Warranties is true and correct as at Completion.

4.2 The Buyer's Warranties

The Buyer warrants and represents to the Seller as an inducement to the Seller to enter into this Agreement and to sell the Equity that, at the date of this Agreement and at Completion each of the Buyer's Warranties is true and correct.

4.3 Duration of Warranties

The Warranties survive Completion of this Agreement for a period of one year.

4.4 Separate Warranties

Each warranty is a separate warranty and representation and its meaning is not affected by any other warranty.

5 COSTS, DUTIES AND TAXES

5.1 Costs Generally

Except and to the extent specified in the subclause below, each Party must bear and is responsible for its own costs in connection with the preparation, execution, Completion and carrying into effect of this Agreement.

5.2 Stamp Duty

The Buyer must pay all stamp duty in respect of the transfer of the Equity, if any.

5.3 GST

- (a) The sale of the Seller's Equity is not subject to GST as
 - (i) the supply is not in the course or furtherance of an enterprise that is carried on by the Seller; and
 - (ii) the sale of shares is an exempt financial transaction and is not subject to GST
- (b) If the sale of the Equity is in the course or furtherance of an enterprise and/or is not an exempt financial transaction the Seller may, by notice in writing to the Buyer and at any time within 10 years of Completion, direct that the Purchase Price is to be increased by the GST owing on the Purchase Price, and the amount of that increase in the Purchase Price will constitute a debt due and payable by the Buyer to the Seller on demand.
- (c) The Seller will, prior to or on payment by the Buyer of an amount under the subclause above, provide the Buyer with the appropriate tax invoice for the transaction.
- (d) This clause survives Completion for 10 years from and including the day of Completion.

6 NOTICES

6.1 Method of Giving Notices

A notice must:

- (a) be signed by or on behalf of the Party giving it;
- (b) addressed to the Party to whom it is given; and:
- (c) delivered personally to that Party's address;
- (d) sent by pre-paid mail to that Party's address; or
- (e) sent by fax or email to that Party's fax number or email address.

6.2 Time of Receipt

A notice given to a Party in accordance with this clause is treated as having been given and received:

- (a) if personally delivered to a Party's address, on the day of delivery if a Business Day, otherwise on the next Business Day;
- (b) if sent by pre-paid mail, on the third Business Day after posting; or
- (c) if sent by fax or email before 5.00pm, on the day of sending, or if this is not a Business Day or after 5.00pm, on the next Business Day.

6.3 Address of Parties

The address of a Party is the address set out in the "Parties" section to this Agreement. A Party can give notice to each other Party of an alternate address or fax number or email address for the purposes of this clause 6.3.

7 GENERAL

7.1 Amendment

This Agreement can only be amended or supplemented in writing, signed by the Parties.

7.2 Waiver

- (a) A power or right may only be waived in writing, signed by the Party to be bound by the waiver.
- (b) If a Party does not exercise or delays in exercising a right under this Agreement that does not operate as a waiver of the Party's power or right.
- (c) A single waiver of an obligation under this Agreement does not waive any other or further obligations under this Agreement.

7.3 Entire Agreement

This Agreement is the entire agreement of the Parties on the subject matter.

Each party must do anything (including execute any document) that the other parties may reasonably require to give full effect to this Agreement.

7.4 Severability

Any provision in this Agreement which is invalid or unenforceable is to be read down, if possible, so as to be valid and enforceable. If it cannot be read down, it will be severed to the extent of the invalidity or unenforceability, without affecting the remaining provisions of this Agreement.

7.5 Further Assurance

Each party must do all things necessary to effectively carry out and give full effect to this Agreement and the rights and obligations of the Parties under it, both before and after Completion.

7.6 Governing Law

This Agreement is governed by the law of the Australian Capital Territory.

7.7 Counterparts

This Agreement may be signed in one or more identical counterparts and those counterparts together will constitute the one document.

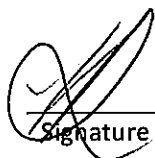
EXECUTED AS AN AGREEMENT

Seller:

Signed sealed and delivered by **HELEN HILL**)
ATF HILL FAMILY TRUST in the presence of:)
)
)
)



Name: Helen Hill



Signature of Witness

Zoe Elise Kershaw

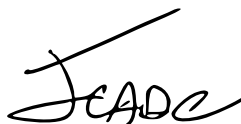
Name of Witness in full

119 Bingley Cres Fraser, ACT 2615

Address of Witness

Buyer

Executed by **JL CADE SUPER FUND PTY LTD**)
ACN 659 773 056 AS TRUSTEE FOR JL CADE)
SUPER FUND ABN 57 360 621 849 in)
accordance with section 127 of the)
Corporations Act 2001:)



Name: Jeremy Lee Cade

Signature of Sole Director/Secretary

The Company

Executed by **VERIFYNOW PTY LTD ACN 643**)
420 311 in accordance with section 127 of)
the Corporations Act 2001:)
)
)

Name: Anthony David Blumer
Signature of Director

Name: Helen Louise Hill
Signature of Director

SCHEDULE 1

Ownership of Shares

Owner	Key Person	Number of Shares in VerifyNow
Practical Risk Solutions Pty Ltd ACN 088 141 557 ATF Practical Risk Solutions Trust	N/A	40
Helen Hill ATF Hill Family Trust	N/A	50
Leonie Jayne Brosnahan	N/A	20
Peter Timothy Wheen ATF Think Distinct Trust	N/A	30
VK NGO Pty Ltd ACN 657 838 367 ATF VK NGO Family Trust	Van Khai Ngo	50
Marieanne Curnow	N/A	10

SCHEDULE 2

Part A

The Sellers Equity and Purchase Price

	Shares	Purchase Price
VerifyNow	10	\$75,000

Payment of Shares:

Payment of \$75,000 for the shares listed above are to be made as follows:

\$75,000 by 31 July 2022

Part B

Ownership after sale

Owner	Key Person	Number of Shares in VerifyNow
Practical Risk Solutions Pty Ltd ACN 088 141 557 ATF Practical Risk Solutions Trust	N/A	40
Helen Hill ATF Hill Family Trust	N/A	40
Leonie Jayne Brosnahan	N/A	20
Peter Timothy Wheen ATF Think Distinct Trust	N/A	30
VK NGO Pty Ltd ACN 657 838 367 ATF VK NGO Family Trust	Van Khai Ngo	50
Marieanne Curnow	N/A	10
JL Cade Super Fund Pty Ltd ACN 659 773 056 as trustee for JL Cade Super Fund ABN 57 360 621 849	Jeremy Lee Cade	10

SCHEDULE 3

Sellers Warranties

- 1 Title
 - (a) The Seller is the legal and beneficial owner of the Equity and has absolute title to the Equity.
 - (b) The Seller has the right to exercise all voting and other rights over the Equity.
 - (c) The Shares have been allotted and fully paid up and no money is owing in respect of them.
 - (d) The Equity are not subject to any Encumbrance or other liability which would attach to the Equity or bind the Buyer.
 - (e) There are no unsatisfied judgments, orders or writs of execution affecting the Equity.
- 2 Corporate
 - (a) The Seller is validly incorporated under the laws of the place of its incorporation.
 - (b) This Agreement constitutes a legal, valid and binding obligation on the Seller enforceable in accordance with its terms by the appropriate legal remedy.
 - (c) Everything required to be done (including the obtaining of any necessary consents and the passing of all necessary resolutions) to enable the Seller to lawfully to enter into, exercise its rights and perform and comply with its obligations under this Agreement has been done.
 - (d) The Seller is solvent and able to pay its debts as and when they fall due.
 - (e) There are no actions, claims, proceedings or investigations pending or threatened against the Seller or to its knowledge by, against or before any person which may have a material effect on the sale and purchase of the Equity in accordance with this Agreement.
 - (f) To the best of the Seller's knowledge and belief, its entry into, exercise of its rights, and performance of and compliance with its obligations under, this Agreement does not:
 - (i) contravene any State or Federal law in Australia to which it is subject;
 - (ii) contravene any of the documents constituting that party; or
 - (iii) contravene any agreement to which it is a party or which is binding on any of its assets.
- 3 Litigation

The Company is not a claimant or defendant in any litigation, arbitration or mediation proceedings which would have a material adverse effect on the financial position of the Company.

4 Financial Position

The Accounts

- (a) were prepared in accordance with sound accounting standards;
- (b) fully reflect the assets and liabilities, including contingent liabilities, of the Company;
and
- (c) show a true and fair view of the financial position of the Company as at the date of
the Accounts.

5 Tax

All Tax that has become due and payable by the Company has been paid on or before the
due date for such payment.

SCHEDULE 4

Buyers warranties

1 Title

- (a) The Buyer is validly incorporated under the laws of the place of its incorporation.
- (b) This Agreement constitutes a legal, valid and binding obligation on the Buyer enforceable in accordance with its terms by the appropriate legal remedy.
- (c) The Buyer has the power, without any further consent of any person, to enter into and perform its obligations under this Agreement.

2 Litigation

- (a) There are no actions, claims, proceedings or investigations pending or threatened against the Buyer or to its knowledge by, against or before any person which may have a material effect on the sale and purchase of the Equity in accordance with this Agreement.
- (b) None of the following have occurred in relation to the Buyer:
 - (i) A receiver, receiver and manager, liquidator, provisional liquidator, administrator or trustee is appointed in respect of the Buyer or any of its assets;
 - (ii) An application to the Court or a resolution is passed or an order is made for the winding up or dissolution of the Buyer; or
 - (iii) The Buyer ceases to pay its debts when they become due or is declared or taken under any applicable law to be insolvent.

3 Due Dilligence

The Buyer has conducted its own due diligence on the operations of the Company and has not relied on any representation made by the Seller.