

# Notice of annual general meeting and explanatory memorandum

**Bapcor Limited**

ACN 153 199 912

---

**Date:** Friday 21 October 2016

**Time:** 2.00pm (Sydney time)

**Venue:** Level 28, 126 Phillip Street, Sydney NSW 2000

---

# NOTICE OF 2016 ANNUAL GENERAL MEETING

NOTICE is given that the 2016 Annual General Meeting of Bapcor Limited ACN 153 199 912 will be held at Level 28, 126 Phillip Street, Sydney NSW 2000 on Friday 21 October 2016 at 2.00pm (Sydney time).

## BUSINESS OF THE MEETING

Shareholders are invited to consider the following items of business at the Annual General Meeting:

### 1. Financial and related reports

Financial and related reports	
<b>Description</b>	To receive and consider the Financial Report of the Company and its controlled entities and the related Directors' and Auditor's Reports in respect of the financial year ended 30 June 2016.

### 2. Adoption of Remuneration Report (Non-binding resolution)

Resolution 1	Adoption of Remuneration Report (Non-binding resolution)
<b>Description</b>	Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the 2016 Annual Report and is available from the Company's website ( <a href="http://www.bapcor.com.au">www.bapcor.com.au</a> ). In accordance with section 250R of the Corporations Act, the vote on this resolution will be advisory only and will not bind the directors or the Company.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i>"THAT the Remuneration Report of the Company and its controlled entities for the year ended 30 June 2016 be adopted."</i>
<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast on this resolution (in any capacity, whether as proxy or as shareholders) by any of the following persons:</p> <ul style="list-style-type: none"><li>(a) Key Management Personnel; and</li><li>(b) Closely Related Parties of Key Management Personnel.</li></ul> <p>However, the Company need not disregard a vote if it is:</p> <ul style="list-style-type: none"><li>(a) cast by a person as a proxy appointed in accordance with the directions of the proxy form that specifies how the proxy is to vote on Resolution 1; and the vote is not cast on behalf of a person described in subparagraphs (a) and (b) above; or</li><li>(b) cast by the chair of the Meeting as proxy appointed in accordance with the directions of the proxy form for a person who is entitled to vote, and such appointment on the proxy form expressly authorises the chair to exercise the proxy even if the resolution is connected directly with the remuneration report; and the vote is not cast on behalf of a person described in subparagraphs (a) and (b) above.</li></ul>

### 3. Election and Re-Election of Directors

<b>Resolution 2</b>	<b>Election of Ms Margaret Haseltine as Director</b>
<b>Description</b>	Ms Margaret Haseltine, who was appointed as a Director on 30 May 2016 under rule 6.1(d) of the Constitution, retires as a Director in accordance with rule 6.1(e) of the Constitution and, being eligible, offers herself for election under rule 6.1(i) of the Constitution.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, to pass the following resolution as an <b>ordinary resolution</b> :  <i>“THAT Ms Margaret Haseltine, having been appointed as a Director on 30 May 2016 and who retires as a Director of the Company in accordance with rule 6.1(e) of the Constitution and, being eligible, offers herself for election, be elected as a Director of the Company.”</i>
<b>Resolution 3</b>	<b>Re-Election of Ms Therese Ryan as Director</b>
<b>Description</b>	Ms Therese Ryan, who was appointed as a Director on 31 March 2014, retires as a Director in accordance with rule 6.1(f)(i)(A) of the Constitution and, being eligible, offers herself for re-election under rule 6.1(i) of the Constitution.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, to pass the following resolution as an <b>ordinary resolution</b> :  <i>“THAT Ms Therese Ryan, having been appointed as a Director on 31 March 2014 and who retires as a Director of the Company in accordance with rule 6.1(f)(i)(A) of the Constitution and, being eligible, offers herself for re-election, be re-elected as a Director of the Company.”</i>

### 4. Ratification of Issues of Shares

<b>Resolution 4</b>	<b>Ratification of issue of Bearing Wholesalers Consideration Shares</b>
<b>Description</b>	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for an issue of shares made by the Company on 31 March 2016. The shares were issued in accordance with the terms of a business sale agreement between Bapcor and the Bearing Wholesalers Vendor, as part consideration for Bapcor’s acquisition of the Bearing Wholesalers business.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i>“THAT for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 1,234,567 fully paid ordinary shares in the Company at a deemed issue price of \$4.05 per share to the Bearing Wholesalers Vendor on 31 March 2016 on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i>
<b>Voting Exclusion</b>	The Company will disregard any votes cast on this Resolution by any person who participated in the issue of the shares and any of their associates. However, the Company need not disregard a vote if it is cast by:  (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or;  (b) the person chairing the Meeting as proxy for a person entitled to vote, in accordance with a direction on a proxy form to vote as the proxy decides.

<b>Resolution 5</b>	<b>Ratification of issue of Baxters Consideration Shares</b>
<b>Description</b>	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for an issue of shares made by the Company on 3 August 2016. The shares were issued in accordance with the terms of a share sale agreement between Bapcor and the Baxters Vendor, as part consideration for Bapcor's acquisition of the Baxters auto electrical business.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i>"THAT for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 500,000 fully paid ordinary shares in the Company at a deemed issue price of \$5.41 per share to the Baxters Vendor on 3 August 2016 on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."</i>
<b>Voting Exclusion</b>	The Company will disregard any votes cast on this Resolution by any person who participated in the issue of the shares and any of their associates. However, the Company need not disregard a vote if it is cast by:  (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or;  (b) the person chairing the Meeting as proxy for a person entitled to vote, in accordance with a direction on a proxy form to vote as the proxy decides.

## 5. Long Term Incentive Plan

<b>Resolution 6</b>	<b>Approval of the Long Term Incentive Plan (LTIP)</b>
<b>Description</b>	The Company seeks shareholder approval for the Company's Long Term Incentive Plan (LTIP or Plan) for the purposes of the ASX Listing Rules and the Corporations Act.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i>"THAT, for the purposes of Exception 9 in ASX Listing Rule 7.2, sections 259B(2) and 260C(4) of the Corporations Act, and for all other purposes, shareholders approve the Long Term Incentive Plan and the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."</i>
<b>Voting Exclusion</b>	The Company will disregard any votes cast on this Resolution by:  (a) any Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of those Directors;  (b) Key Management Personnel and their Closely Related Parties.  However, the Company need not disregard a vote if it is cast by:  (c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or;  (d) the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides, where the proxy appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

<b>Resolution 7</b>	<b>Approval for Mr Darryl Abotomey to participate in the LTIP</b>
<b>Description</b>	The Company seeks shareholder approval for the issue of performance rights to Mr Darryl Abotomey, the Company's CEO and Managing Director.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i>"THAT, for the purposes of ASX Listing Rule 10.14 and for all other purposes, shareholder approval is given for the Company to grant up to 500,000 performance rights, each to acquire 1 ordinary fully paid share in the Company, to Mr Darryl Abotomey (or his nominee(s)) over a 3-year period under the LTIP, and the issue of underlying shares in respect of those performance rights, pursuant to the LTIP and on the terms set out in the Explanatory Memorandum accompanying this Notice."</i>
<b>Voting Exclusion</b>	The Company will disregard any votes cast on this Resolution by:  (a) the Directors who are eligible to participate in the LTIP and any associates of those Directors;  (a) Key Management Personnel and their Closely Related Parties.  However, the Company need not disregard a vote if it is cast by:  (b) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or;  (c) the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides, where the proxy appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

## 6. Employee Salary Sacrifice Share Plan

<b>Resolution 8</b>	<b>Approval of the Employee Salary Sacrifice Share Plan (ESSSP)</b>
<b>Description</b>	The Company seeks shareholder approval for the Company's Employee Salary Sacrifice Share Plan ( <b>ESSSP</b> ) for the purposes of the ASX Listing Rules and the Corporations Act.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i>"THAT, for the purposes of Exception 9 in ASX Listing Rule 7.2, sections 259B(2) and 260C(4) of the Corporations Act and for all other purposes, shareholders approve the Employee Salary Sacrifice Share Plan and the issue of shares under that plan, on the terms and conditions described in the Explanatory Memorandum accompanying this Notice."</i>
<b>Voting Exclusion</b>	The Company will disregard any votes cast on this Resolution by any Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associate of those Directors.  However, the Company need not disregard a vote if it is cast by:  (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions of the proxy form; or  (b) the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

## 7. Non-Executive Directors' Remuneration Fee Cap

<b>Resolution 9</b>	<b>Approval to increase remuneration fee cap</b>
<b>Description</b>	The Company seeks shareholder approval to increase the maximum aggregate amount of fees which may be paid each year to the Non-Executive Directors of the Company.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i>"THAT in accordance with ASX Listing Rule 10.17 and rule 6.3(a) of the Constitution and for all other purposes, approval is given to increase the maximum aggregate amount of fees that may be paid each year to the Non-Executive Directors of the Company from \$700,000 to \$1,000,000."</i>
<b>Voting Exclusion</b>	The Company will disregard any votes cast on this Resolution by:  (a) the Directors and any of their associates; and  (b) Key Management Personnel and their Closely Related Parties.  However, the Company need not disregard a vote if it is cast by:  (c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or;  (d) the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides, where the proxy appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

## 8. Renewal of Proportional Takeover Bid Provisions

<b>Resolution 10</b>	<b>Renewal of Proportional Takeover Bid Provisions in Constitution</b>
<b>Description</b>	The Company seeks shareholder approval to renew to the Proportional Takeover Bid Provisions in the Constitution for a further three years from the date of the Meeting, which will ensure that in the event of a Proportional Takeover Bid being made, a general meeting of the Company will be convened in order for shareholders to vote on the Proportional Takeover Bid.
<b>Resolution (Special)</b>	To consider and, if thought fit, pass the following resolution as a <b>special resolution</b> :  <i>"THAT, pursuant to sections 136(2) and 648G of the Corporations Act, shareholder approval be given for the Proportional Takeover Bid Provisions contained in rule 14 of the Constitution to be renewed for a further three years from the date of the 2016 Annual General Meeting, as detailed in the Explanatory Memorandum accompanying this Notice."</i>

Dated 19 September 2016

**BY ORDER OF THE BOARD OF BAPCOR LIMITED**



Gregory Fox  
**Company Secretary**

## QUESTIONS FROM SHAREHOLDERS

---

In order to provide an equal opportunity for all shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Company's auditor, PricewaterhouseCoopers in relation to the conduct of the external audit for the year ended 30 June 2016, or the content of its audit report. Please send your questions to:

The Company Secretary, Bapcor Limited  
**Via mail:** 61-63 Gower Street, Preston VIC 3072  
**Via email:** [companysecretary@Bapcor.com.au](mailto:companysecretary@Bapcor.com.au)

Written questions must be received by no later than **5.00pm (Sydney time) on Friday 14 October 2016**.

Your questions should relate to matters that are relevant to the business of the Annual General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum.

In accordance with the *Corporations Act 2001* (Cth) and the Company's policy, a reasonable opportunity will also be provided to shareholders attending the Annual General Meeting to ask questions about, or make comments upon, matters in relation to the Company including the Company's Remuneration Report for the year ended 30 June 2016.

During the course of the Annual General Meeting, the Chair will seek to address as many shareholder questions as reasonably practicable, and where appropriate, will give a representative of the auditor the opportunity to answer written questions addressed to it. However there may not be sufficient time to answer all questions at the Annual General Meeting. Please note that individual responses may not be sent to shareholders.

## VOTING INFORMATION

---

### Entitlement to vote at the Annual General Meeting

A determination has been made by the Board of the Company under regulation 7.11.37 of the *Corporations Regulations 2001* that the persons eligible to vote at the Annual General Meeting are those who are registered shareholders of the Company as at **7.00 pm (Sydney time) on Wednesday 19 October 2016**, subject to any applicable voting exclusion.

### Voting by proxy

- (a) A shareholder entitled to attend and vote at the Annual General Meeting may appoint one proxy or, if the shareholder is entitled to cast 2 or more votes at the meeting, 2 proxies, to attend and vote instead of the shareholder.
- (b) Where 2 proxies are appointed to attend and vote at the meeting, each proxy may be appointed to represent a specified proportion or number of the shareholder's voting rights at the meeting.
- (c) A proxy need not be a shareholder of the Company.
- (d) A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the

full name or title of the individual representative of the body corporate for the meeting.

- (e) A proxy form accompanies this notice. If a shareholder wishes to appoint more than 1 proxy, they may make a copy of the proxy form attached to this notice. For the proxy form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power of authority **by 2.00pm (Sydney time) on Wednesday 19 October 2016**:

- by post at GPO Box 242, Melbourne, Victoria 3001; or
- by personal delivery at Yarra Falls, 452 Johnston Street, Abbotsford, Victoria, 3067; or
- by facsimile: Australia – 1800 783 447, overseas - +61 3 9473 2555; or
- Custodian voting - For Intermediary Online subscribers only (custodians) please visit **[www.intermediaryonline.com](http://www.intermediaryonline.com)** to submit your voting intentions.

### Proxy voting by the Chair

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (Cth), imposes prohibitions on Key Management Personnel and their Closely Related Parties from voting their shares (or voting undirected proxies) on, amongst other things, remuneration matters.

However, the chair of a meeting may vote an undirected proxy (i.e. a proxy that does not specify how it is to be voted), provided the shareholder who has lodged the proxy has given an express voting direction to the chair to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel. If you complete a proxy form that authorises the Chair of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chair to exercise your proxy on Resolutions 1, 6, 7 and 9. In accordance with this express authority provided by you, the Chairman will vote in favour of Resolutions 1, 6, 7 and 9. If you wish to appoint the Chair of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the form.

The Company's Chairman, Mr Robert McEniry, will chair the Meeting and intends to vote all available undirected proxies in favour of each item of business.

If you appoint as your proxy any Director of the Company, except the Chairman, or any other Key Management Personnel or any of their Closely Related Parties and you do not direct your proxy how to vote on Resolutions 1, 6, 7 and 9 he or she will not vote your proxy on that item of business.

# EXPLANATORY MEMORANDUM TO NOTICE OF 2016 ANNUAL GENERAL MEETING

## 1. Financial and related reports

Financial and Related Reports	
<b>Explanation</b>	<p>Section 317 of the Corporations Act requires the Company's financial report, directors' report and auditor's report for the financial year ended 30 June 2016 to be laid before the Company's 2016 Annual General Meeting. There is no requirement for a formal resolution on this item.</p> <p>The financial report contains the financial statements of the consolidated entity consisting of Bapcor and its controlled entities.</p> <p>As permitted by the Corporations Act, a printed copy of the Company's 2016 Annual Report has been sent only to those shareholders who have elected to receive a printed copy. A copy of the 2016 Annual Report is available from the Company's website (<a href="http://www.bapcor.com.au">www.bapcor.com.au</a>).</p> <p>The Chair of the meeting will allow a reasonable opportunity at the meeting for shareholders to ask questions. Shareholders will also be given a reasonable opportunity at the meeting to ask the Company's auditor PricewaterhouseCoopers questions about its audit report, the conduct of its audit of the Company's financial report for the year ended 30 June 2016, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of PricewaterhouseCoopers in relation to the conduct of the audit.</p>

## 2. Adoption of Remuneration Report (Non-binding resolution)

Resolution 1	Adoption of Remuneration Report (Non-binding resolution)
<b>Explanation</b>	<p>Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the Company's 2016 Annual Report and is available from the Company's website (<a href="http://www.bapcor.com.au">www.bapcor.com.au</a>).</p> <p>The Remuneration Report:</p> <ul style="list-style-type: none"> <li>▪ describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of executives and the Company's performance;</li> <li>▪ sets out the remuneration arrangements in place for each director and for certain members of the senior management team; and</li> <li>▪ explains the differences between the basis for remunerating non-executive directors and senior executives, including the Chief Executive Officer.</li> </ul> <p>The vote on this item is advisory only and will not require the Company to alter the arrangements set out in the Remuneration Report if Resolution 1 is not passed. However, the Board will take into account any discussion on this item and the outcome of the vote when considering the future remuneration policies and practices of the Company.</p>



<b>Voting Exclusion</b>	A voting exclusion statement applies to this resolution, as set out in the Notice.
<b>Board Recommendation</b>	The Directors unanimously recommend that shareholders vote in favour of adopting the Remuneration Report.
<b>Chair's available proxies</b>	The Chair of the Meeting intends to vote all available proxies in favour of this Resolution 1.

### 3. Election and Re-Election of Directors

<b>Resolution 2</b>	<b>Election of Ms Margaret Haseltine as Director</b>
<b>Explanation</b>	<p>Ms Margaret Haseltine was appointed to the Board by the Directors on 30 May 2016 pursuant to rule 6.1(d) of the Constitution, which provides that a Director may be appointed to the Board of the Company by the Directors as an addition to the existing Directors or to fill a casual vacancy on the Board.</p> <p>Under rule 6.1(e) of the Constitution, any Director appointed under rule 6.1(d) of the Constitution must retire from office at the next annual general meeting following his or her appointment.</p> <p>Pursuant to rule 6.1(i), a Director retiring from office under rule 6.1(e) is eligible for re-election, and that Director may by resolution of the Company's shareholders be re-elected to that office.</p> <p>Ms Haseltine is therefore eligible for election under rule 6.1(i) of the Constitution, and offers herself for election.</p>
<b>About Ms Margaret Haseltine</b>	<p>Ms Haseltine brings more than 30 years' business experience in a broad range of senior positions, and 10 years' experience in board directorship. A proven executive leader, Ms Haseltine has significant experience in the areas of supply chain and logistics, customer interface in the FMCG sector, change management, governance, and management within a large corporate environment. Prior to joining Bapcor, Ms Haseltine held various senior positions with Mars Food Australia, including CEO, spanning a 20-year career. Ms Haseltine is a Fellow of the AICD.</p> <p>Ms Haseltine serves as a member of both the Audit and Risk Management Committee and the Nomination and Remuneration Committee of Bapcor.</p> <p>Ms Haseltine does not hold a relevant interest in any Bapcor securities. She is currently a board member of Southern Hospitality Ltd, Bagtrans Pty Ltd and Stuart Alexander and Co Pty Ltd.</p>
<b>Board Recommendation</b>	The Board, with Ms Margaret Haseltine abstaining on making any recommendation, recommends that shareholders vote in favour of this Resolution 2.
<b>Chair's available proxies</b>	The Chair of the Meeting intends to vote all available proxies in favour of this Resolution 2.

<b>Resolution 3</b>	<b>Re-Election of Ms Therese Ryan as Director</b>
<b>Explanation</b>	<p>Rule 6.1(f)(i)(A) of the Constitution requires that one third of the Directors (excluding the Managing Director or any Directors appointed by the Board during the year under rule 6.1(d) of the Constitution), rounded down to the nearest whole number, retire at each Annual General Meeting of the Company. Under rule 6.1(g) of the Constitution, the Directors to retire under rule 6.1(f)(i)(A) are those who have held office as Director for the longest period of time since their last election to office, or in the event that two or more Directors have held office for the same period of time, those Directors determined by lot.</p> <p>Excluding the Managing Director (Mr Darryl Abotomey), the two Directors who have held office as a Director for the longest time since their last election are Mr Robert McEniry and Ms Therese Ryan, both of whom were re-elected to office by shareholders at the Company's 2014 Annual General Meeting, and accordingly have held office for the same period of time since their last election. The Directors have determined by lot that Ms Therese Ryan will retire as a Director at the Company's 2016 Annual General Meeting in accordance with rules 6.1(f)(i)(A) and 6.1(g) of the Company's Constitution.</p> <p>Ms Ryan, being eligible under rule 6.1(i) of the Constitution, offers herself for re-election as Director.</p>
<b>About Ms Therese Ryan</b>	<p>Ms Ryan has served as Non-Executive Director of Burson since 31 March 2014, and is considered to be an independent Director.</p> <p>Ms Ryan is a professional non-executive director and has extensive experience as a senior business executive and commercial lawyer working in widely diversified businesses in Australia and internationally. Previously, she was Vice President and General Counsel of General Motors International Operations based in Shanghai, Assistant Secretary of General Motors Corporation and prior to that General Counsel and Company Secretary of GM Holden.</p> <p>Ms Ryan is currently a board member of the Victorian Managed Insurance Authority, VicForests, Metropolitan Fire Brigade, Gippsland Water and WA Super.</p> <p>Ms Ryan is also a member of Burson's Audit and Risk Management Committee, and chair of the Nomination and Remuneration Committee. Ms Ryan has a relevant interest in 32,976 ordinary shares in Burson.</p>
<b>Board Recommendation</b>	The Board, with Ms Therese Ryan abstaining on making any recommendation, recommends that shareholders vote in favour of this Resolution 3.
<b>Chair's available proxies</b>	The Chair of the Meeting intends to vote all available proxies in favour of this Resolution 3.

#### 4. Ratification of Issues of Shares

Resolutions 4 and 5	Ratification of issues of shares
<b>Explanation</b>	<p>The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for previous issues of securities made by the Company during the last 12 months under the Company's capacity to issue shares under ASX Listing Rule 7.1, which provides that a company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue shares during any 12 month period in excess of 15% of the number of shares on issue at the commencement of that 12 month period without shareholder approval.</p> <p>ASX Listing Rule 7.4 sets out an exception to the limitations on the Company's capacity to issue securities pursuant to ASX Listing Rule 7.1, by permitting the ratification of previous issues of securities which were not made under a prescribed exception under ASX Listing Rule 7.2 or with shareholder approval, provided that such issues did not breach the ASX Listing Rule 7.1. If shareholders of a company approve the ratification of such previous issues of securities at a general meeting, those shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.</p> <p>Accordingly, if shareholders ratify the previous issues of securities made by Bapcor by way of approving Resolutions 4 and 5, such securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.</p>
<b>Reasons for Resolutions 4 and 5</b>	<p>The effect of the ratifications sought under Resolutions 4 and 5 in accordance with ASX Listing Rule 7.4 is the reinstatement of the Company's maximum capacity to issue further shares up to 15% of the issued capital of the Company, if required, in the next 12 months without requiring shareholder approval. The Directors believe that it is in the best interests of the Company that the Directors maintain their ability to issue up to 15% of the issued capital of the Company.</p> <p>Save for as otherwise set out in this Notice, the Directors do not currently have any specific intention to make any further issue of shares without approval of shareholders under ASX Listing Rule 7.1 in the next 12 months, unless such issue falls under an exception to the 15% threshold in ASX Listing Rule 7.2.</p> <p>However, the Directors consider it to be appropriate and prudent for approval to be sought at the Annual General Meeting, in respect of the relevant issue of shares made by the Company in the last twelve months. The Directors believe this approval will enhance the Company's flexibility to finance its operations through raising equity capital, should the Directors consider it to be in the best interests of the Company to do so.</p> <p>In particular, the Directors note that if this approval is not obtained at the Annual General Meeting, the Company may be required to incur additional costs of convening an extraordinary general meeting of the Company if the Directors propose to issue securities which do not fall under an exception to the 15% rule in ASX Listing Rule 7.2.</p>
<b>Voting Exclusion</b>	Voting exclusions apply to each of Resolutions 4 and 5, as set out in the Notice.
<b>Board Recommendation</b>	The Directors unanimously recommend that shareholders vote in favour of Resolutions 4 and 5.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 4 and 5.

<b>Specific information for Resolution 4 – Ratification of issue of Bearing Wholesalers Consideration Shares</b>	
<b>Explanation</b>	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for an issue of 1,234,567 fully paid ordinary shares on 31 March 2016. The shares were issued in accordance with the terms of a business sale agreement between the Company and the Bearing Wholesalers Vendor, as part consideration for the acquisition by Bapcor of the Bearing Wholesalers business. For further information, refer to Bapcor's ASX announcement dated 11 February 2016 in respect of this acquisition.
<b>Information required to be provided under ASX Listing Rule 7.5</b>	<p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <ul style="list-style-type: none"> <li>▪ <b>No. of shares issued</b> – 1,234,567 fully paid ordinary shares</li> <li>▪ <b>Issue price per share</b> – Nil cash consideration; deemed issue price of \$4.05 per share</li> <li>▪ <b>Terms of shares</b> – Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company. The 1,234,567 shares are subject to voluntary escrow restrictions until 1 April 2017.</li> <li>▪ <b>Recipient of issue</b> – the Bearing Wholesalers Vendor.</li> <li>▪ <b>Use of funds raised</b> – No funds were raised from the issue of the shares. The shares were issued as part consideration to the Bearing Wholesalers Vendor for Bapcor's acquisition of the Bearing Wholesalers business in March 2016.</li> </ul>
<b>Specific information for Resolution 5 – Ratification of issue of Baxters Consideration Shares</b>	
<b>Explanation</b>	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for an issue of 500,000 fully paid ordinary shares on 3 August 2016. The shares were issued in accordance with the terms of a share sale agreement between the Company and the Baxters Vendor, as part consideration for the acquisition by Bapcor of the Baxters auto electrical business. For further information, refer to Bapcor's ASX announcement dated 27 July 2016 in respect of this acquisition.
<b>Information required to be provided under ASX Listing Rule 7.5</b>	<p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <ul style="list-style-type: none"> <li>▪ <b>No. of shares issued</b> – 500,000 fully paid ordinary shares</li> <li>▪ <b>Issue price per share</b> – Nil cash consideration; deemed issue price of \$5.41 per share</li> <li>▪ <b>Terms of shares</b> – Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</li> <li>▪ <b>Recipient of issue</b> – the Baxters Vendor.</li> <li>▪ <b>Use of funds raised</b> – No funds were raised from the issue of the shares. The shares were issued as part consideration to the Baxters Vendor for Bapcor's acquisition of the Baxters auto electrical business in July 2016.</li> </ul>

## 5. Long Term Incentive Plan

Resolution 6	Approval of the Long Term Incentive Plan (LTIP)
<b>Explanation</b>	Shareholder approval is sought for the Company's Long Term Incentive Plan (LTIP) for the purposes of the ASX Listing Rules and the Corporations Act.
<b>ASX Listing Rules</b>	<p>ASX Listing Rule 7.1 provides that a company may not issue Equity Securities, or agree to issue Equity Securities, without the approval of shareholders, if the number of Equity Securities to be issued in any 12 month period (including shares issued on the exercise of any options) exceeds 15% of the issued capital of the company preceding the issue.</p> <p>ASX Listing Rule 7.2 contains a number of exceptions to the prohibition contained in ASX Listing Rule 7.1. In particular, under Exception 9 in ASX Listing Rule 7.2, any Equity Securities issued under an employee incentive scheme within three years of the date on which shareholders approve the issue of those Equity Securities are not counted for the purposes of ASX Listing Rule 7.1. Resolution 6 is designed to satisfy the requirements of Exception 9 in ASX Listing Rule 7.2 in relation to the LTIP.</p>
<b>Corporations Act</b>	<p>Section 259B(1) of the Corporations Act prohibits a company from taking security over its shares except as permitted by section 259B(2). Section 259B(2) states that a company may take security over shares in itself under an employee share scheme that has been approved by resolution passed at a general meeting of the company.</p> <p>Section 260A(1)(c) of the Corporations Act prohibits a company from financially assisting a person to acquire shares in itself except as permitted by section 260(C). Section 260(C)(4) provides for special exemption for approved employee shares schemes and states that financial assistance is exempted from section 260(A) if a resolution is passed at a general meeting of the company.</p> <p>Accordingly, shareholder approval is sought under Resolution 6 to ensure compliance with these sections of the Corporations Act.</p>
<b>Purpose of LTIP</b>	<p>The purpose of the LTIP is to provide incentives to members of Company's management who are integral to the operations and ongoing success of the Company. These incentives are designed to encourage greater productivity from management and to better enable the Company to retain its management personnel in a highly competitive industry.</p> <p>Should Resolution 6 be passed, the Company will have the necessary flexibility to issue securities as an incentive to management personnel, and the issue of securities under the LTIP will not be included within the Company's placement capacity pursuant to ASX Listing Rule 7.1.</p> <p>A summary of the LTIP is provided below.</p>
<b>Details of the LTIP</b>	<p><b>General</b></p> <p>The objectives of the LTIP are to facilitate the Company in retaining, incentivising and motivating its management team. Under the LTIP, the Board has the discretion to grant options and performance rights to eligible employees (which may include Directors) of the Company or a related body corporate.</p>

Both options and performance rights give a participant in the LTIP a right to acquire shares in the Company subject to the achievement of time based or performance based vesting conditions, with options requiring the payment of an exercise price to acquire the shares and a performance right not requiring the payment of an exercise price.

The Board has the discretion to amend the rules of the LTIP, but not so as to reduce the rights of participants who hold performance rights or options under the LTIP at the time. Awards under the LTIP are made at the Board's discretion.

### **Eligibility**

The rules allow for offers under the LTIP to be made to any full-time or part-time employee of the Company or a related body corporate as the Board determines and may include Directors.

### **Grant of options and performance rights**

Options and performance rights may be issued under the LTIP subject to vesting conditions, including time and performance based hurdles. The Board determines the details of the vesting conditions attaching to options and performance rights under the LTIP prior to offers of participation being made. Options or performance rights will only vest (under normal circumstances) upon satisfaction of any time and performance based vesting conditions. If those conditions are not met, the options or performance rights will generally expire and not be capable of exercise.

No amount is payable on the grant of options or performance rights offered under the LTIP.

### **Delivery of shares**

Shares in the Company will be delivered to participants upon exercise of vested options or upon the vesting of performance rights. On exercise of vested options or the vesting of performance rights, the Company may deliver shares by new issue or by purchasing shares for transfer to participants. No exercise price is payable on the exercise of performance rights unless otherwise determined by the Board at the date of grant.

### **Change of control**

On a change of control of the Company, unvested options and performance rights will vest on a pro rata basis, based on the proportion of the relevant performance period in respect of those unvested options or performance rights which has elapsed at the date of the change of control. The Board has discretion as to how to treat remaining unvested options and performance rights, including but not limited to: vesting a portion of those unvested options and performance rights; applying the specified performance tests for the vesting conditions at an earlier date and vesting a portion appropriate to that level of achievement; allowing those unvested options or performance rights to remain 'on foot'; and/or allowing those unvested options or performance rights to be 'swapped' into the acquiring company's performance rights or options on issue.

### **Plan limits**

Issues of shares on exercise of vested options or vesting of performance rights granted under the LTIP will be subject to a cap of 5% of the issued share capital of the Company, inclusive of shares that may be issued under any other employee incentive schemes of the Company for employees and Non-Executive Directors, but disregarding offers made outside of Australia, made under a prospectus or other disclosure document or which do not require a disclosure document.

	<p><b>Expiry of options and performance rights</b></p> <p>Unless otherwise determined by the Board in its discretion, options and performance rights which have not been exercised will expire and cease to exist on the expiry date specified at the date of grant or upon the Board making a determination that the options or performance rights are to be forfeited.</p> <p><b>Trustee</b></p> <p>Bapcor may appoint a trustee for the purpose of administering the LTIP, including to acquire and hold shares or other securities of the Company on behalf of participants in the LTIP or otherwise for the purposes of the LTIP.</p> <p><b>Forfeiture on cessation of employment</b></p> <p>In the event that a participant in the LTIP ceases employment with the Company or any of its associated entities in certain circumstances including dismissal for cause or poor performance, then subject to compliance with the ASX Listing Rules and the Corporations Act, any unvested options or performance rights held by that participant will lapse, and any vested options held by the participant must be exercised within 60 days of cessation of employment or they will also lapse.</p> <p><b>Quotation</b></p> <p>The Company will apply for official quotation of any shares issued to an LTIP participant upon exercise of any vest option or the vesting of any performance right, in accordance with the ASX Listing Rules.</p> <p><b>Other terms</b></p> <p>The LTIP rules contain other terms relating to the administration, variation, suspension and termination of the LTIP.</p>
<b>Securities issued under LTIP</b>	<p>The LTIP was summarised in the Company's Prospectus dated 7 April 2014. Since that date, 1,225,611 performance rights have been issued under the LTIP.</p> <p>Under Resolution 7, it is proposed that Mr Darryl Abotomey be issued performance rights pursuant to the LTIP.</p>
<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.
<b>Board Recommendation</b>	As Resolution 6 is in connection with the remuneration of KMP, the Directors do not make any recommendation to shareholders in relation to this Resolution 6.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution 6.

<b>Resolution 7</b>	<b>Approval for Mr Darryl Abotomey to participate in the LTIP</b>
<b>Description</b>	Resolution 7 seeks shareholder approval for the issue of performance rights to Mr Darryl Abotomey, the Company's Chief Executive Officer and Managing Director.

<p><b>Shareholder Approval</b></p>	<p>Under ASX Listing Rule 10.14, the Company requires shareholder approval to issue equity securities to a Director of the Company. Accordingly, Resolution 7 seeks shareholder approval for the Company to issue securities under the LTIP to Mr Darryl Abotomey, CEO and Managing Director of the Company, over the next 3 years.</p> <p>Exception 14 in ASX Listing Rule 7.2 provides that ASX Listing Rule 7.1 does not apply where shareholder approval for an issue of securities is obtained under ASX Listing Rule 10.14. This means that, if shareholder approval is obtained for Resolution 7, approval is not required for the purposes of ASX Listing Rule 7.1.</p>
<p><b>Information provided to shareholders</b></p>	<p>For the purposes of the approval sought under ASX Listing Rule 10.14 and in accordance with the requirements of ASX Listing Rule 10.15A and for all other purposes, the following information is provided to shareholders in respect of the proposed grant of performance rights under the LTIP.</p> <p>(a) <b>Number of performance rights:</b> The exact number of performance rights that will be granted to Mr Abotomey during the next 3 years cannot be calculated as at the date of this Notice as it depends upon Mr Abotomey's entitlement to share based incentive payments and the future price of the Company's shares at the date performance rights are granted under the LTIP. The number of performance rights that will be granted to Mr Abotomey during the next 3 years will be calculated on the grant date by dividing the maximum value of share based incentive payments to which Mr Abotomey is entitled by the value of each performance right determined at the grant date using the Black Scholes valuation method.</p> <p>The maximum number of performance rights to be granted to Mr Abotomey under Resolution 7 is 500,000, each of which may vest into one ordinary share in Bapcor, upon the satisfaction of vesting conditions. Upon the vesting of the performance rights, the underlying performance shares will rank equally with all other ordinary shares of the Company on issue.</p> <p>(b) <b>Terms of performance rights:</b> The performance rights issued to Mr Abotomey under the LTIP will each vest into one ordinary share in Bapcor, upon the satisfaction of prescribed vesting conditions and performance hurdles. Whilst the exact terms of the performance rights to be granted have yet to be determined by the Board, the performance hurdles are expected to be tested over varying periods of 2 and 3 years from date of grant, and the vesting conditions are expected to be based on total shareholder return achieved by Bapcor against a comparator group of companies, and earnings per share growth achieved by Bapcor.</p> <p>(c) <b>Timing of grants:</b> It is proposed that the performance rights will be issued to Mr Abotomey progressively in tranches during the 3 years after the date of the Meeting.</p> <p>(d) <b>Price:</b> No consideration will be payable for the grant of the performance rights under the LTIP to Mr Abotomey, or for the issue of underlying shares upon vesting of the performance rights.</p> <p>(e) <b>Details of prior grants:</b> The only person referred to in ASX Listing Rule 10.14 who has received securities under the LTIP since the date of the Company's Prospectus is Mr Darryl Abotomey, who has received 451,148 performance rights for nil consideration.</p> <p>The only person referred to in ASX Listing Rule 10.14 entitled to participate in the LTIP is Mr Darryl Abotomey.</p>



	<p>(f) <b>Voting exclusion:</b> A voting exclusion statement applies to Resolution 7 and is included in the Notice.</p> <p>(g) <b>No Loans:</b> No loans are proposed to be provided in relation to the acquisition of the relevant performance rights.</p> <p>(h) <b>Disclosures in annual report:</b> Details of any securities issued under the LTIP will be published in each annual report of the Company relating to the period in which the securities were issued and, where applicable, it will be noted that approval for the issue of the securities was obtained under ASX Listing Rule 10.14.</p> <p>(i) <b>Other participants under LR 10.14:</b> Any additional persons referred to in ASX Listing Rule 10.14 who become entitled to participate in the LTIP after this Resolution 7 is approved and who are not named in this Notice or Explanatory Memorandum will not participate until approval is obtained under ASX Listing Rule 10.14.</p>
<b>Board Recommendation</b>	Mr Darryl Abotomey abstains from making a voting recommendation on this Resolution as it relates to an issue of performance rights to him. The other Directors do not wish to make a recommendation on this Resolution as it relates to the remuneration of one of the Directors.
<b>Other Information</b>	The Directors are not aware of any other information that is reasonably required by shareholders to enable them to make a decision as to how to vote on Resolution 7.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution 7.

## 6. Employee Salary Sacrifice Share Plan

<b>Resolution 8</b>	<b>Approval of the Employee Salary Sacrifice Share Plan (ESSSP)</b>
<b>Explanation</b>	Shareholder approval is sought for the Company's Employee Salary Sacrifice Share Plan ( <b>ESSSP</b> ) for the purposes of the ASX Listing Rules and the Corporations Act.
<b>ASX Listing Rules</b>	<p>ASX Listing Rule 7.1 provides that a company may not issue Equity Securities, or agree to issue Equity Securities, without the approval of shareholders, if the number of Equity Securities to be issued in any 12 month period (including shares issued on the exercise of any options) exceeds 15% of the issued capital of the company preceding the issue.</p> <p>ASX Listing Rule 7.2 contains a number of exceptions to the prohibition contained in ASX Listing Rule 7.1. In particular, under Exception 9 in ASX Listing Rule 7.2, any Equity Securities issued under an employee incentive scheme within three years of the date on which shareholders approve the issue of those Equity Securities are not counted for the purposes of ASX Listing Rule 7.1. Resolution 8 is designed to satisfy the requirements of Exception 9 in ASX Listing Rule 7.2 in relation to the ESSSP.</p>

<p><b>Corporations Act</b></p>	<p>Section 259B(1) of the Corporations Act prohibits a company from taking security over its shares except as permitted by section 259B(2). Section 259B(2) states that a company may take security over shares in itself under an employee share scheme that has been approved by resolution passed at a general meeting of the company.</p> <p>Section 260A(1)(c) of the Corporations Act prohibits a company from financially assisting a person to acquire shares in itself except as permitted by section 260(C). Section 260(C)(4) provides for special exemption for approved employee shares schemes and states that financial assistance is exempted from section 260(A) if a resolution is passed at a general meeting of the company.</p> <p>Accordingly, shareholder approval is sought under Resolution 8 to ensure compliance with these sections of the Corporations Act.</p>
<p><b>Details of the ESSSP</b></p>	<p><b>General</b></p> <p>Under the ESSSP, the Board has the discretion to offer shares to eligible employees (which may include Directors) of the Company or a related body corporate. Awards under the ESSSP are made at the Board's discretion.</p> <p><b>Eligibility</b></p> <p>Under the ESSSP, Bapcor may from time to time offer shares to eligible full time or permanent part time employees of Bapcor or to such other person as the Board determines in its discretion.</p> <p><b>Amendment and termination</b></p> <p>The ESSSP may be amended by resolution of the Board provided there is no reduction of rights of employees in respect of shares issued under the ESSSP. If an amendment reduces the rights of employees, it requires written consent of three quarters of affected employees. The ESSSP may be terminated or suspended at any time by a resolution of the Board.</p> <p><b>Delivery of shares</b></p> <p>Under the ESSSP, Bapcor may make an offer of shares conditional on the participating employee acquiring a specified number of shares for valuable consideration. The Board may determine the price at which the shares will be offered to an employee. Shares may be granted at no cost to the employee or the Board may determine that the market value or an alternative price is appropriate.</p> <p><b>Discretion</b></p> <p>The Board has the discretion to determine any other specific terms and conditions applying to each offer to employees under the ESSSP.</p> <p><b>Ranking of shares</b></p> <p>Shares issued under the ESSSP will rank equally with other fully paid ordinary shares on issue in the Company.</p> <p><b>Restrictions on transfers</b></p> <p>Participants may not dispose of shares acquired under the ESSSP until the earlier of:</p> <ul style="list-style-type: none"> <li>(a) the date three years after the date the shares were acquired; and</li> <li>(b) the date the participating employee ceases employment with Bapcor.</li> </ul>

	<p><b>ESSSP limits</b></p> <p>Issues of shares under the ESSSP will be subject to a cap of 5% of the issued share capital of the Company, inclusive of shares that may be issued under any other employee incentive schemes of the Company for employees and Non-Executive Directors, but disregarding offers made outside of Australia, made under a prospectus or other disclosure document or which do not require a disclosure document.</p> <p><b>Vesting</b></p> <p>There are no vesting conditions or forfeiture conditions in respect of shares issued under the ESSSP.</p> <p><b>Trustee</b></p> <p>Bapcor may appoint a trustee for the purpose of administering the ESSSP, including to acquire and hold shares, or other Equity Securities of the Company, on behalf of eligible employees or otherwise for the purposes of the ESSSP.</p>
<b>Securities issued under ESSSP</b>	The ESSSP was summarised in the Company's Prospectus dated 7 April 2014. Since that date, 394,072 fully paid ordinary shares have been issued under the ESSSP.
<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.
<b>Board Recommendation</b>	The Directors recommend that shareholders vote in favour of Resolution 8.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution 8.

## 7. Non-Executive Directors' Remuneration Fee Cap

<b>Resolution 9</b>	<b>Approval to increase remuneration fee cap</b>
<b>Explanation</b>	<p>Resolution 9 seeks approval of shareholders to increase the maximum aggregate amount per annum that may be paid as fees to Non-Executive Directors (<b>Fee Cap</b>).</p> <p>The Directors have recently conducted a review of Non-Executive Directors' fees and consider it reasonable and appropriate at this time to seek an increase to the Fee Cap, for the following reasons:</p> <ul style="list-style-type: none"> <li>(a) the increase will provide flexibility for the Company to continue to attract and retain Non-Executive Directors of a high calibre;</li> <li>(b) the increase will allow for future adjustments to Non-Executive Directors fees in line with market conditions;</li> <li>(c) the increase will enable the Company to increase the number of Non-Executive Directors, if the Board considers it appropriate to do so, as part of the process of achieving a broad range of skills, experience and expertise on the Board which are complementary to the Company's business activities; and</li> </ul>

	<p>(d) the increase will allow for the payment of appropriate fees over time, taking into account the increasing time and responsibilities required of Non-Executive Directors due to the increased complexity of the Company's corporate governance requirements as a result of the growth of the Company.</p> <p>The Directors do not currently intend to fully utilise the increased Fee Cap, but consider that the increase is reasonable and appropriate for the reasons outlined above.</p> <p>The Company will continue to set the actual level of remuneration of its Non-Executive Directors within the shareholder-approved Fee Cap, after having regard to independent external advice, market practice, Board performance and other appropriate factors.</p> <p>Disclosure of Non-Executive Directors' remuneration will continue to be made to shareholders in each annual remuneration report in accordance with the Corporations Act, the Constitution and the Listing Rules.</p>
<b>Why is approval being sought under Listing Rule 10.17</b>	<p>In accordance with Listing Rule 10.17, companies are required to obtain shareholder approval for an increase in the total aggregate amount of directors' fees which are payable to non-executive directors.</p> <p>For the purposes of Listing Rule 10.17, the Company notes as follows:</p> <p>(a) the current Fee Cap is \$700,000, as stated in the Company's Prospectus;</p> <p>(b) shareholder approval is now sought to increase the Fee Cap by \$300,000 to \$1,000,000; and</p> <p>(c) there have been no securities issued to Non-Executive Directors under Listing Rules 10.11 or 10.14 in the preceding 3 years:</p>
<b>Voting Exclusion</b>	A voting exclusion statement applies to this Resolution, as set out in the Notice.
<b>Board Recommendation</b>	Given that Resolution 9 involves the payment of fees to Directors, the Directors make no recommendations to shareholders in relation to this Resolution.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution 9.

## 8. Renewal of Proportional Takeover Bid Provisions

Resolution 10	Renewal of Proportional Takeover Bid Provisions in Constitution
<p><b>Explanation</b></p>	<p>Rule 14 of the Constitution provides that the Company must refuse to register shares acquired under a Proportional Takeover Bid unless a resolution is passed by shareholders in general meeting approving the offer.</p> <p>In accordance with the Corporations Act and the Constitution, rule 14 will cease to have effect on 4 February 2017, being three years from the date of when the provision was first included in the Constitution, unless renewed by a special resolution of the Company's shareholders. Accordingly, the Directors request that shareholders approve the renewal of the Proportional Takeover Bid Provisions as set out in rule 14 of the Constitution for a further three years with effect from the date of the Meeting.</p>
<p><b>Proportional Takeover Bid</b></p>	<p>A Proportional Takeover Bid is a takeover offer sent to each shareholder for only a specified proportion of the shares (i.e. less than 100%) held by the shareholder. Shareholders who accept such an offer in full will only dispose of that specified proportion and retain the balance of their shares.</p> <p>This may allow effective control of the Company to pass to the bidder without shareholders having the chance to sell all of their shares, and may assist the bidder to take control of the Company without paying an adequate control premium.</p>
<p><b>Effect of the Proportional Takeover Bid Provisions</b></p>	<p>The effect of the Proportional Takeover Bid Provisions in rule 14 of the Constitution is that the Director must convene a general meeting in the event of a Proportional Takeover Bid, at which meeting those shareholders entitled to vote will be asked to vote on whether to approve the Proportional Takeover Bid (<b>Approving Resolution</b>). The meeting at which the Approving Resolution is proposed must be held before the date which is 14 days before the last day of the bid period in respect of the Proportional Takeover Bid (<b>Approving Resolution Deadline</b>).</p> <p>With respect to an Approving Resolution, each shareholder who as at the end of the day on which the first offer under the Proportional Takeover Bid was made held bid class shares, will be entitled to vote and will have one vote for each fully paid share held. The vote is to be decided on a simple majority. The bidder and its associates will not be entitled to vote on the Approving Resolution and if they do vote, their votes will not be counted.</p> <p>If the Approving Resolution is not passed, transfers giving effect to a takeover contract resulting from the acceptance of an offer made under the Proportional Takeover Bid will not be registered and the Proportional Takeover Bid will be taken to have been withdrawn. If the Approving Resolution is passed, then the transfers must be registered if they comply with the Corporations Act and the Constitution.</p> <p>If an Approving Resolution has not been voted on as at the end of the day before the Approving Resolution Deadline, an Approving Resolution will be taken to have been passed, and the Proportional Takeover Bid will be taken to have been approved.</p> <p>The Proportional Takeover Bid Provisions only apply for three years from the date of their renewal, after which time they may only continue to apply if the Company's shareholders pass a special resolution in general meeting (in accordance with section 136(2) of the Corporations Act) to renew the Proportional Takeover Bid Provisions for a further three years from the date of that general meeting.</p>

<b>Knowledge of Proportional Takeover Bids</b>	<p>As at the date of this Notice, the Directors are not aware of a proposal by any person to acquire or to increase the extent of a substantial interest in the Company.</p>
<b>Potential advantages and disadvantages for Directors and shareholders</b>	<p>Pursuant to section 648G(5)(g) of the Corporations Act, the Company provides the below information in relation to the potential advantages and potential disadvantages of the Proportional Takeover Bid Provisions for both the Directors and shareholders.</p> <p><b>Potential advantages and disadvantages to Directors</b></p> <p>The Directors consider that the Proportional Takeover Bid Provisions have no potential advantages or disadvantages for them as Directors, as the Directors are free to make whatever recommendations to shareholders with respect to Proportional Takeover Bids as the Directors deem appropriate.</p> <p><b>Potential advantages and disadvantages to shareholders</b></p> <p>The potential advantages of the Proportional Takeover Bid Provisions for shareholders include that the provisions:</p> <ul style="list-style-type: none"> <li>(a) provide the right for shareholders to meet and decide, by majority vote, whether to accept a Proportional Takeover Bid;</li> <li>(b) may help shareholders avoid being in a situation where they are holding residual shares as a minority, and may prevent a bidder acquiring control of the Company without paying an adequate control premium;</li> <li>(c) potentially increase the shareholders' bargaining power and may help ensure that any bid is adequately priced; and</li> <li>(d) may assist each individual shareholder in deciding whether to accept or reject the Proportional Takeover Bid offer, by showing each shareholder the view of the majority of their fellow shareholders.</li> </ul> <p>Potential disadvantages of the Proportional Takeover Bid Provisions for shareholders include that the provisions:</p> <ul style="list-style-type: none"> <li>(a) may potentially discourage the making of Proportional Takeover Bids for shares in the Company; and</li> <li>(b) may reduce the likelihood of a Proportional Takeover Bid being successful,</li> </ul> <p>both of which may result in shareholders losing a potential opportunity to sell some of their shares at a premium.</p> <p>The Directors consider that the potential advantages for shareholders of the Proportional Takeover Bid Provisions operating for a further three years from the date of the Meeting outweigh the potential disadvantages.</p> <p><b>Review of advantages and disadvantages of provisions during period prior to renewal</b></p> <p>Section 648G(5)(f) of the Corporations Act requires that the Company provide shareholders with a review of the advantages and disadvantages of the Proportional Takeover Bid Provisions for the Directors and shareholders during the period throughout which the provisions have already been in effect. The Company advises that during the period throughout which the current Proportional Takeover Bid</p>

	<p>Provisions have been in effect, there have been no Proportional Takeover Bids for the Company against which specific advantages and disadvantages can be assessed.</p> <p>However, throughout this period, the general advantages and disadvantages laid out above applied to the Proportional Takeover Provisions.</p>
<b>Reasons for renewing the Proportional Takeover Bid Provisions</b>	<p>The Board considers that it is in the interests of shareholders for the Proportional Takeover Bid Provisions to remain in force in the Constitution, such that shareholders will have the opportunity to vote on any proposed Proportional Takeover Bid during the three years from the date of the Meeting.</p>
<b>Board Recommendation</b>	<p>As stated above, the Directors consider that the passing of this Resolution will be in the interests of shareholders and that the potential advantages for shareholders of the Proportional Takeover Bid Provisions outweigh any potential disadvantages, and for this reason the Directors recommend that shareholders vote in favour of this Resolution.</p>
<b>Chairman's available proxies</b>	<p>The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution 10.</p>

## Definitions

<b>Approving Resolution</b>	means a resolution to be proposed at a general meeting of the Company in the event of a Proportional Takeover Bid, at which meeting those shareholders entitled to vote will be asked to vote on whether to approve the Proportional Takeover Bid.
<b>Approving Resolution Deadline</b>	means the date which is 14 days before the last day of the bid period in respect of any Proportional Takeover Bid.
<b>Bapcor or Company</b>	means Bapcor Limited ACN 153 199 912.
<b>Baxters Consideration Shares</b>	means the 500,000 fully paid ordinary shares the subject of Resolution 5 which were issued to the Baxters Vendor on 3 August 2016.
<b>Baxters Vendor</b>	means Kellybrooke Pty Ltd.
<b>Bearing Wholesalers Consideration Shares</b>	means the 1,234,567 fully paid ordinary shares the subject of Resolution 4 which were issued to the Bearing Wholesalers Vendor on 31 March 2016.
<b>Bearing Wholesalers Vendor</b>	means Bayswater Bearings Pty Ltd.
<b>Board</b>	means the board of directors of the Company.
<b>Constitution</b>	means the Company's constitution.
<b>Corporations Act</b>	means <i>Corporations Act 2001</i> (Cth).
<b>Closely Related Party</b> (of a member of KMP of an entity)	has the definition given to it by section 9 of the Corporations Act, and means: <ul style="list-style-type: none"> <li>(a) a spouse or child of the member; or</li> <li>(b) a child of the member's spouse; or</li> <li>(c) a dependant of the member or of the member's spouse; or</li> <li>(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or</li> <li>(e) a company the member controls; or</li> <li>(f) a person prescribed by the regulations for the purposes of this definition (nothing at this stage).</li> </ul>
<b>Director</b>	means a director of the board of Bapcor.
<b>Equity Security</b>	means: <ul style="list-style-type: none"> <li>a) a share;</li> <li>b) a right to a share or option;</li> <li>c) an option over an issued or unissued security;</li> <li>d) a convertible security;</li> <li>e) any security that ASX decides to classify as an equity security.</li> </ul>



<b>ESSSP</b>	means the Company's Employee Salary Sacrifice Share Plan.
<b>Fee Cap</b>	means the maximum aggregate amount per annum that may be paid as fees to Non-Executive Directors.
<b>Key Management Personnel or KMP</b>	means those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.
<b>LTIP or Plan</b>	means the Company's Long Term Incentive Plan.
<b>Meeting</b>	means the Company's 2016 Annual General Meeting.
<b>Non-Executive Director</b>	means a non-executive director of the board of Bapcor.
<b>Proportional Takeover Bid</b>	means an off-market bid that is made or purports to be made under section 618(1)(b) of the Corporations Act in respect of a specified proportion of shares included in a class of shares in the Company.
<b>Proportional Takeover Bid Provisions</b>	means rule 14 of the Constitution.
<b>Prospectus</b>	means the Company's replacement prospectus dated 7 April 2014.

**-ENDS-**



BAPCOR LIMITED  
ABN 80 153 199 912

BAP  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Lodge your vote:**



**By Mail:**

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000



**Proxy Form**

**XX**

**For your vote to be effective it must be received by 2.00pm (Sydney time) Wednesday 19 October 2016**

**How to Vote on Items of Business**

All your securities will be voted in accordance with your directions.

**Appointment of Proxy**

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

**Signing Instructions**

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

**Attending the Meeting**

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form** ➔



View your securityholder information, 24 hours a day, 7 days a week:

**[www.investorcentre.com](http://www.investorcentre.com)**

- Review your securityholding
- Update your securityholding

**Your secure access information is:**

**SRN/HIN: I9999999999**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Bapcor Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

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 to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Bapcor Limited to be held at Level 28, 126 Phillip Street, Sydney, New South Wales on Friday 21 October 2016 at 2.00pm (Sydney time) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 6, 7 and 9 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 6, 7 and 9 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 6, 7 and 9 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report (Non-binding resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Director - Ms Margaret Haseltine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-Election of Director - Ms Therese Ryan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of issue of Bearing Wholesalers Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of issue of Baxters Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of the Long Term Incentive Plan (LTIP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval for Mr Darryl Abotomey to participate in the LTIP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of the Employee Salary Sacrifice Share Plan (ESSSP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval to increase remuneration fee cap	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Renewal of Proportional Takeover Bid Provisions in Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /