



SLATER & GORDON LIMITED

DIVIDEND REINVESTMENT PLAN

IMPORTANT NOTICES

US Shareholders

The Shares, (as defined herein), to be issued to Investors, (as defined herein), pursuant to the Plan, (as defined herein), have not been, and will not be, registered under the US Securities Act or any securities laws of the states of the United States of America or any of the territories or possessions thereof ("United States"). Accordingly, the Shares offered hereby may not be offered, sold or delivered to persons in the United States, to persons whose addresses are in the United States or to U.S. persons (as defined in Regulation S under the US Securities Act), except in transactions exempt from such registration. Subject to certain exceptions, applications will not be accepted from any person who is or appears to be or who is reasonably believed to be in or a resident of the United States or a U.S. person (as defined in Regulation S under the US Securities Act.) This Plan Document is not being sent, delivered, provided or otherwise circulated to or in the United States. Each holder of Shares by virtue of receiving or purchasing additional Shares pursuant to the Plan, agrees, for the benefit of S&G, that such holder is not in the United States, is not a U.S. person (as defined in Regulation S under the US Securities Act), is not receiving, purchasing, exercising or otherwise obtaining such additional Shares for the account or benefit of a person in the United States or for the account or benefit of a U.S. person, and that the additional Shares that may be acquired pursuant to the Plan may not be transferred in the United States. This communication does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States.

UK Shareholders

This document does not constitute a prospectus for the purposes of United Kingdom Listing Authority Prospectus Rules, made under Part IV of the Financial Services and Markets Act 2000 pursuant to European Union Directive (2003/71/EC), by virtue of Article 4.1(d) and that Directive and has not been approved by or filed with a competent authority in the United Kingdom.

Disclaimer- all Shareholders

This document does not constitute an offer of securities and does not give the right to any person to invest in securities in any jurisdiction in which it would not be lawful to make such an offer or give such a right.

This is not investment advice and does not take into account the investment objectives, financial situation and particular needs of an investor. You should consult your financial or other professional adviser prior to making a decision on whether or not to participate in the Plan.

This plan is dated 8 May 2014.

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REGISTRAR

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FEATURES OF THE DIVIDEND REINVESTMENT PLAN

The Slater & Gordon Limited Dividend Reinvestment Plan (the “Plan”) is a convenient way for investors to increase their holding in Slater & Gordon Limited (“S&G”) by receiving all or some of their dividend in the form of additional Shares in S&G (“Shares”).

Participation in the Plan is subject to the Terms and Conditions of the Dividend Reinvestment Plan (“Terms and Conditions”).

This document has been prepared without taking into account your investment objective, financial situation or needs. S&G recommends that you review this document and the Terms and Conditions in full and seek professional tax and financial advice before making your decision.

Highlights

- All investors in S&G are eligible to participate in the Plan, except those investors who are subject to the laws of a country or place other than Australia where, in the opinion of S&G, the law or any other matter or thing makes the offer to participate in the Plan impracticable, impossible or illegal. These ineligible investors will receive cash dividends paid in the normal way.
- Investors may make the following elections:
 - not participate in the Plan and receive cash dividends – in which case dividends will be paid in the normal way;
 - full participation in the Plan – dividends on all Shares held by the investor will be satisfied in Shares, which will be newly issued by S&G;
 - partial participation in the Plan – dividends on a specified number or percentage of Shares held by the investor (“participating Shares”) will be satisfied in Shares. The dividends on the investor’s remaining Shares (“non-participating Shares”) will be paid as a cash dividend in the normal way.
- Participation in the Plan is optional. If an investor does not participate in the Plan, dividends will automatically be paid to that investor in the normal way. If an investor does participate in the Plan, on each dividend payment date, the dividend on that investor’s participating Shares will be automatically satisfied in Shares. Investors are recommended to contact their financial advisor prior to making a decision on whether or not to participate in the Plan.
- Shares provided under the Plan will be issued at the Application Price (which allows for a discount of up to 10%) and will be free of brokerage, commission and Australian stamp duty (under current laws).
- Shares issued under the Plan will rank equally in all respects with existing Shares from the date of issue.
- Investors may join or leave the Plan at any time by giving notice prior to the business day following the record date of the relevant dividend period. Dividend periods currently end on 30 June and 31 December.
- A Plan Statement providing details of participation will be sent to each investor after each dividend payment date.
- S&G may terminate or suspend the Plan at any time.
- The Plan may be partially or fully underwritten from time to time at the discretion of S&G.

How to Participate in the Plan

In order to participate in the Plan, the application form enclosed with this booklet must be completed and returned to the Registrar. Elections made by investors in respect of their level of participation in the Plan will remain in effect for all future dividends unless varied by the delivery to the Registrar of another application form or following the suspension of the Plan for more than 2 years.

Investors asking to vary their participation in the Plan should notify the Registrar by completing an application form.

A notice will be effective for the next dividend payment, provided that the notice is received by the Registrar prior to the business day following the record date of the relevant dividend period. Dividend periods presently end on 30 June and 31 December.

Investors wishing to withdraw completely from the Plan should notify the Registrar in writing. The withdrawal will be effective for the next dividend payment, provided the written notice is received by the Registrar prior to business day following the record date of the relevant dividend period.

Taxation Considerations

Under current Australian income tax legislation, it is S&G's understanding that dividends satisfied in Shares will be treated in the same manner as if the investor had received those dividends in cash.

The Plan Statement issued following the payment of each dividend will show the amount of the dividend. Plan Statements should be retained by investors as a record.

If an investor intends to participate in the Plan and has not lodged their Tax File Number with the Registrar, Australian income tax may be deducted from the dividend on the investor's participating Shares prior to the entitlement to new Shares.

S&G does not take any responsibility for the tax liabilities of Participants and it is recommended that investors obtain independent advice concerning their tax position.

US Shareholders

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UK Shareholders

This document does not constitute a prospectus for the purposes of United Kingdom Listing Authority Prospectus Rules, made under Part IV of the Financial Services and Markets Act 2000 pursuant to European Union Directive (2003/71/EC), by virtue of Article 4.1(d) and that Directive and has not been approved by or filed with a competent authority in the United Kingdom.

Securities Exchange Listing

S&G will apply for quotation of Shares issued under the Plan on the Official List of the Australian Securities Exchange.

Further Information

This document, the Terms and Conditions and the application form are available from S&G's website at www.slatergordon.com.au/investors. S&G's website also contains additional information on S&G, including as to the rights attaching to the Shares.

TERMS AND CONDITIONS OF THE DIVIDEND REINVESTMENT PLAN

1. Participation in the Plan

- 1.1 Participation in S&G's Dividend Reinvestment Plan is subject to these Terms and Conditions.
- 1.2 Participation in the Plan is optional and not transferable.
- 1.3 All investors are eligible to participate in the Plan except those investors who are subject to the laws of a country or place other than Australia where, in the opinion of S&G, the law or any other matter or thing makes the offer to participate in the Plan impracticable, impossible or illegal.
- 1.4 S&G has a discretion whether to allow participation in the Plan.
- 1.5 The Plan will only operate in relation to a particular dividend if so determined by the Board.
- 1.6 S&G will announce to ASX for each dividend period whether or not the Plan has been activated in respect of such dividend.

2. Definitions and Interpretations

- 2.1 When used in these Terms and Conditions, the words listed will, except to the extent that the context otherwise requires, have the following meanings:

"Application Price" of a Share to be allotted under the Plan is the average of the daily volume weighted average price of all sales of Shares recorded on the ASX during the "Pricing Period", including those closing single price auction, but excluding any transaction classified under the ASX Market Rules as a "Special Crossing", crossings prior to the commencement of the open session state, crossings during overnight trading, or any overseas trades or trades pursuant to the exercise of options over Shares, or any other sales which S&G considers may not be reflective of natural supply and demand less the discount (if any) of not more than 10% of this amount determined by the directors of S&G, rounded down to four decimal places.

"ASX" means ASX Limited.

"Business Day" means a day which is a Business Day under the Listing Rules.

"Constitution" means the Constitution of S&G as amended from time to time.

"dividend" means amounts to be paid as dividends by S&G to investors pursuant to article 35 of the Constitution.

"dividend period" means a period for which income is calculated, being presently the periods ending 30 June and 31 December.

"holding" means a holding of Shares recorded in the Register.

"Investor" means a person holding Shares.

"Listing Rules" means the listing rules of the ASX, from time to time, and any other rules of the ASX which are applicable while S&G is admitted to the Official List, except to the extent of any express written waiver by the ASX.

"Official List" has the same meaning given to that term in the Listing Rules.

"Participant" means an investor whose application to participate in the Plan has been accepted by S&G.

"Plan" means S&G's Dividend Reinvestment Plan.

"Plan Account" means the plan account established by S&G and maintained by the Registrar for each Participant in accordance with these Terms and Conditions.

“Plan Statement” means a plan statement which complies with clause 10.

“Pricing Period” means in respect of a particular dividend 20 Trading Days (or such other period of not less than 5 Trading Days as S&G may determine) commencing on the second Trading Day following the dividend record date for the dividend and ending on the 5th Trading Day prior to the date scheduled for payment of that dividend (or such other date as S&G may determine).

“Registered Address” means the address of an investor as shown in the Register.

“Register” means the register of all investors maintained by the Registrar.

“Registrar” means Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067 or any successor registrar appointed by S&G from time to time.

“Share” means an ordinary share in S&G.

“S&G” means Slater & Gordon Limited ACN 097 297 400.

2.2 Words importing to the singular include the plural and vice versa, words importing any gender include other genders and “person” includes a corporation.

2.3 Headings are for convenience only and do not affect interpretation.

3. Application to Participate

3.1 An investor may apply to the Registrar to participate in the Plan by completing and signing an application form and returning it to the Registrar.

3.2 Where an investor has more than one allocated holding on the Register, the investor must complete an application form for each separate holding.

4. Degree of Participation

4.1 Participation in the Plan may be full or partial.

4.2 In the case of full participation all Shares registered in the Participant’s name from time to time, including Shares provided under the Plan, bonus Shares, Shares issued to the Participant pursuant to a rights issue, placement or Share Purchase Plan, and subsequent purchases will participate in the Plan.

4.3 In the case of partial participation only the number of Shares specified by the Participant in the application form or in any subsequent notice under clause 8 together with bonus Shares and Shares provided in relation to Shares participating in the Plan, will be subject to the Plan.

4.4 A Participant must specify on the application form the degree of participation by either:

(a) placing a tick in the box marked full participation; or

(b) specifying the number or percentage of Shares to participate in the Plan.

4.5 If an application form received by the Registrar does not indicate the degree of participation it will be deemed to be an application for full participation.

4.6 Where the number of Shares registered in the name of a Participant at the end of a dividend period is less than the number of Shares specified by the Participant, all those Shares registered in the name of the Participant will be subject to the Plan.

4.7 S&G may, at its discretion, limit the level of participation in the Plan in respect of a particular dividend, including, without limitation, by limiting the proportion of Shares in respect of which Participants may participate in the Plan in relation to a particular dividend.

5. Operation of the Plan

- 5.1 S&G will issue new Shares to satisfy their obligations under the Plan.
- 5.2 A Participant shall be deemed to have:
- (a) directed S&G to apply the cash dividend that is available for payment to the Participant in relation to the participating Shares for the Participant on the dividend record date (less any applicable withholding tax, income tax, stamp duty or other tax, duty, impost, deduction or charge imposed by a government including goods and services tax or any other amount then payable by the Participant to S&G) towards the issue price of further Shares;
 - (b) authorised S&G to subscribe for Shares on the Participant's behalf; and
 - (c) agreed to be bound by the Constitution in respect of all the Shares issued to the Participant under the Plan.
- 5.3 S&G will establish and the Registrar will maintain a Plan Account for each Participant.
- 5.4 S&G will:
- (a) determine the cash dividend that is available for payment to the Participant in relation to the participating Shares of the Participant (less any applicable withholding tax, income tax, stamp duty or other tax, duty, impost, deduction or charge imposed by a government including goods and services tax or any other amount then payable by the Participant to S&G) and credit that amount to the Participant's Plan Account;
 - (b) determine the maximum whole number of Shares which could be acquired at the Application Price by dividing the credit balance amount in the Participants' Plan Account by the Application Price and rounding that number down to the nearest whole number;
 - (c) on behalf of and in the name of the Participant subscribe for that number of additional Shares determined under clause 5.4(b) and debit the Participant's Plan Account with the aggregate Application Price of the Shares subscribed for ;
 - (d) issue that number of Shares determined under clause 5.4(b) to the Participant; and
 - (e) retain in the Participant's Plan Account any credit balance remaining after the issue of Shares under clause 5.4(d) until the payment of the next dividend when that amount will be aggregated with any further dividend credited to the Participant's Plan Account.
- 5.5 No interest will accrue to a Participant in relation to any credit balance retained in the Participant's Plan Account.
- 5.6 Where a Participant ceases to participate in the Plan for any reason, including under clause 8, 9 or 12 of the Plan or where the Plan is terminated, then S&G will retain any credit balance in the Participant's Plan Account.

6. Shares under the Plan

- 6.1 Shares issued under the Plan will be allotted in accordance with the terms and conditions of the Plan and the Constitution and will rank equally in all respects with existing Shares as from the date of issue.
- 6.2 Shares issued to a Participant under the Plan will be registered on the Register.
- 6.3 Shares issued under the Plan will participate in all dividends subsequently declared.
- 6.4 A security holding statement will be sent to each Participant within 30 days from the date of allotment of Shares provided under the Plan specifying the number of Shares allotted to the Participant, the amount of the dividend represented by the Shares, the issue price at which the

Shares are issued under the Plan and the extent to which the dividend is franked for Australian income tax purposes.

7. Cost to Participants

- 7.1 Subject to clause 7.2 no brokerage, commission, stamp duty or other transaction costs will be payable by a Participant in respect of Shares issued under the Plan.
- 7.2 In the event of a change in the existing legislation so that at the date of any issue, stamp duty is payable in any Australian state jurisdiction in respect of the issue, the amount of such stamp duty shall be paid by the Participant to whom the Shares are issued and will be debited to that Participant's Plan Account.

8. Variation and Termination of Participation

- 8.1 A Participant may at any time give notice (in the form of an application form) to the Registrar either:
- (a) increasing or decreasing the number or percentage of participating Shares; or
 - (b) terminating participation in the Plan.
- 8.2 An application varying or terminating a Participant's participation in the Plan will be effective for the next dividend payment, provided that the application is received by the Registrar before the business day following the record date of the relevant dividend period.
- 8.3 If a Participant increases the Participant's level of participation in the Plan to full participation, all of the Participant's Shares as at the date of the notice of variation, and all Shares acquired after that date by the Participant, will participate in the Plan.
- 8.4 If a Participant decreases the Participant's level of participation in the Plan to below full participation, only the number of Shares specified in the notice of variation will participate in the Plan and Shares acquired thereafter by the Participant will not participate in the Plan.

9. Alteration or Termination of Participation Where No Notice is Given

- 9.1 Where a Participant disposes of part of its holding of Shares and does not give notice otherwise then:
- (a) if the number of Shares disposed of is less than the number of the Participant's non-participating Shares then the number of shares disposed of will be deemed to be non-participating Shares; and
 - (b) if the number of Shares disposed of is greater than the number of the Participant's non-participating Shares, then the Shares disposed of will be deemed to be all of the non-participating Shares plus any additional number of participating Shares as may be necessary to equal in aggregate the total number of Shares disposed of.
- 9.2 Where a Participant disposes of all its Shares without giving the Registrar notice of termination of participation in the Plan, the Participant will be deemed to have given notice of termination of participation in the Plan on the last date on which the Registrar registered a transfer or instrument of disposal of the Shares.
- 9.3 Where a Participant changes their Registered Address so that it is no longer in Australia or another country in which S&G permits participation in the Plan, the Participant will be deemed to have given notice of termination of participation in the Plan effective from the date of receipt by the Registrar of notification of the change.
- 9.4 In the event of the death of a Participant, participation in the Plan will be terminated on receipt by S&G of written notice of the death of the Participant, unless the legal personal representatives of the deceased Participant notify the Registrar otherwise or the deceased

Participant's Shares are held jointly with another person or persons who remain eligible to participate in the Plan.

10. Plan Statement

- 10.1 The Registrar of S&G when sending dividend statements will send to each Participant a Plan Statement providing, at the relevant date, full details of the Participant's Plan Account and transactions pursuant to the Plan. A Plan Statement will be provided to a Participant within 30 days of the day on which the Shares are issued to a Participant under the Plan.

11. Applications and Notices

- 11.1 Applications and notices for the purposes of the Plan shall be in writing in such form and lodged at such place as S&G may from time to time require.
- 11.2 Applications and notices (other than notices of death, bankruptcy or liquidation) in respect of Shares registered in joint names must be signed by all registered holders of those Shares.
- 11.3 Applications and notices will take effect on and from the date on which they are received by the Registrar provided that:
- (a) an application to participate in the Plan is not effective until it has been accepted by S&G; and
 - (b) applications and notices received by the Registrar after the business day following the relevant record date will not be effective in relation to that dividend for that dividend period but will be effective for subsequent dividends.

12. S&G's powers in relation to the modification or termination of the Plan

- 12.1 Subject to the Listing Rules, S&G may at any time:
- (a) modify, vary or amend the Plan;
 - (b) make determinations that the Plan is to operate in relation to a particular Dividend;
 - (c) activate or reinstate the Plan from time to time and for any period;
 - (d) suspend the operation of the Plan from time to time and for any period; and
 - (e) terminate the Plan to take effect on the date specified by S&G.
- 12.2 If the Plan is suspended, each Participant's participation in the Plan is also suspended and all Shares will be deemed to be non-participating Shares for the purpose of any dividend paid while the Plan is suspended. If the Plan is suspended for:
- (a) less than 2 years then upon reinstatement of the Plan a Participant's participation in the Plan will be reinstated subject to any variation or termination of a Participant's participation under the Plan received by the Registrar at least one Business Day prior to the first dividend record date after reinstatement of the Plan; or
 - (b) more than 2 years then each Participant will be deemed to have terminated their participation in the Plan.
- 12.3 If the Plan is modified, varied or amended, each Participant must be provided with notice of the modification, variation or amendment. The accidental omission to give to an investor a notice of modification, variation, amendment, suspension or termination of the Plan or a non-receipt of such a notice by an investor, shall not invalidate the modification, amendment, variation, suspension or termination of the Plan.

13. S&G'S General Powers of Administration

13.1 Subject to the Listing Rules, the Plan shall be administered by S&G and any determination made by S&G in respect of the operation of the Plan shall be final and binding on all Participants.

13.2 S&G has the powers, among other things, to:

- (a) determine appropriate procedures for the administration of the Plan.
- (b) resolve conclusively all questions of fact or interpretation in connection with the Plan.
- (c) delegate to any one or more persons, for a specified period and on such conditions as they may determine, the exercise of any of its powers or discretions arising under the Plan.
- (d) modify, vary, suspend or terminate the Plan in accordance with clause 12.

14. Taxation

14.1 S&G does not make any representation or warranty in respect of, or accept any responsibility for, the liability of Participants to the payment of tax or stamp duty in respect of any issue of Shares, payment or other transaction pursuant to the Plan.

15. Governing Law

15.1 The Plan, these rules and the operation of the Plan shall be governed by and construed in accordance with the laws for the time being in force in the State of Victoria.

16. Notices

16.1 A notice may be given by S&G to any person:

- (a) personally;
- (b) by sending it by post to that person at that person's registered address or to the address (if any) supplied by that person to S&G for the purpose of the giving of notices;
- (c) by sending it to the fax number or electronic address (if any) nominated by that person;
- (d) in the case of an overseas person employed and/or residing overseas, by air mail or to the fax number nominated by that person or such other manner as will ensure prompt receipt by that person; or
- (e) by any other means as shall ensure prompt receipt of the notice.

16.2 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice and to have been effected, in the case of a notice of a meeting, on the day after the date of its posting and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

16.3 A notice or letter sent by fax or other electronic means is taken to be given on the Business Day after it is sent.

16.4 Service of a notice sent by other means shall be deemed to be effected if the mode of service of the notice is properly addressed and paid for and lodged for delivery or transmission with a competent authority or body and to have been effected at the time at which in the ordinary course that mode of service of the notice would be delivered.

17. Listing Rules

17.1 Notwithstanding anything contained in this document, while S&G is admitted to the Official List, S&G:

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- (a) shall not knowingly commit or allow to be knowingly committed any breach, contravention or failure to comply with the Listing Rules; and
 - (b) to the extent to which any provision of the Plan is inconsistent with the provisions of the Listing Rules, the provisions of the Listing Rules will prevail.