
Super Cheap Auto Group Limited

GIFT & GRATUITY POLICY

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	Revision Authorised by: Company Secretary

1. Policy Statement

As a listed company, Super Cheap Auto Group is committed to open decision-making, practices, and policies. One business objective is to select vendors and suppliers on the basis of the quality of their respective products and services; and to do so in a manner that any shareholder can see that we, in fact, live up to our Group Values.

This policy is intended to clarify and define the limits of acceptable team member behaviour.

It is intended to assure that we base our business relationships, especially with suppliers, on the value the Group receives in quality, price, and service. These guidelines provide specific direction in some situations and require good judgment in others.

2. SCOPE

This Policy applies to all directors, team members and contractors of Super Cheap Auto Group and its subsidiaries.

This policy in no way exempts employees from conformance with the Group's Code of Conduct.

3. Policy Guidelines

3.1 Fair Competition

We compete strictly on the merits of our products and services and make no attempts to restrain or limit trade. We do not:

- (a) discuss prices, pricing strategies, product or marketing plans, or terms of sale with competitors. If one of those subjects comes up during a trade association or other meeting with competitors, leave the meeting and tell your management or Risk Management;
- (b) make any agreement or have any discussion with competitors concerning prices, production volumes, stores, customers, or sales;
- (c) make agreement with other businesses to tie the sale of one product/service to the sale of another product/service without prior approval by Risk Management;
- (d) denigrate the products or services of a competitor;

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- (e) collect or use competitive information through improper or illegal channels (by us or others) including through misrepresentation, invasion of property or privacy, or coercion.

There may also be other legal requirements. Contact Risk Management for more information.

DO

- Compete in every lawful way to win every competitive advantage for the Group, every sale, every contract, every exclusive technical advance.
- Consult with Risk Management before making non-standard agreements.
- Deal with each customer honestly and fairly, confine your discussions to that customer's business, and maintain confidentiality of those discussions, as appropriate.
- Where a competitor is also its supplier or customer, confine your information exchange to the transactions between the parties.
- Leave any place, including trade or professional association meetings, where rivals, competitors, or dealers begin to talk about where, or to whom, or at what price each will sell.
- Review with Risk Management sales, advertising, and incentive offers to customers.

DON'T

- Enter any agreement, understanding, or discussion with competitors about price, profit margins, terms of sale, stores or customers.
- Talk to one dealer or customer about the business of another.
- Obtain competitive information about a competitor directly from that competitor.
- Tie the sale of one product to the sale of another without prior Risk Management approval.
- Make conditional our purchase of a supplier's goods or that supplier's use of products, without prior Risk Management approval.

3.2 General Policy

Various federal and state laws prohibit any person or entity from giving, or offering to give, another person or entity gifts, gratuities or other things of value in an effort to influence the judgment (or to induce the conduct) of the second person or entity.

Gifts, gratuities, and entertainment are defined as anything given as a result of a business relationship for which the recipient does not pay fair market value. This includes such things as meals, material goods, travel and accommodations, tickets to sporting or cultural events, golf outings, and any other merchandise or services.

Typically, business gifts, services, gratuities, and entertainment are forms of courtesies designed to build and/or enhance teamwork, partnerships, and goodwill between various business entities. Ethical problems arise when these

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items compromise an individual's ability to make objective and fair business decisions. Unfortunately, even the perception of compromise to an outside observer can be very damaging to the image of a department and inconsistent with the Group's overall values.

Due to the myriad of business situations encountered daily, one policy cannot cover every eventuality that a team member may encounter. The expectation is that all team members are professionals with the capacity to exercise sound business judgment. "Everyone else does it" is not a sufficient justification to accept gifts or gratuities. A decision to accept or decline invitations or gifts requires common sense and careful judgment. Team members must carefully weigh the business interest involved against the possible public perception. As a guide, the following should be considered with the Group Leadership Team (GLT) member:

- (a) Is it clearly related to the conduct of business?
- (b) Is it moderate, reasonable, of nominal value (see Section 4 clause 4.6 below), and in good taste (see Section 4 clause 4.8 below)?
- (c) Would I feel comfortable owning up to the giving or receipt of this gift in front of other customers and vendors? Other team members? My manager? My family? The Media?
- (d) Do I feel any pressure to reciprocate or grant special favours as a result of this gift?
- (e) Am I certain the gift does not violate any law or business regulation?

If team members are still uncertain about specific situations, they should consult their managers to obtain an objective perspective of the situation and should always choose the most cautious approach to avoid even perceptions of impropriety.

On all occasions that a gratuity is offered, regardless of acceptance or otherwise, clause 3.3 of this policy applies.

3.3 Exceptions to This Policy

GLT members may allow exceptions upon careful review of a request by the receiving team member(s). Requests for exceptions to this Policy/Procedure must be recorded by the GLT member in the company's register.

In assessing an approval request for a gift or gratuity that falls outside of the provisions of this Policy, the GLT member must give consideration to the following factors:

- (a) Is the gift or gratuity made to a person in a position to allocate business/orders?

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- (b) Is the gift or gratuity related to or contingent upon the allocation or generation of business/orders?
- (c) Is the gift or gratuity related to or contingent upon the volume or value of business allocated or otherwise generated?

3.4 Recording of Gifts and Gratuities

All gifts, entertainment and gratuities offered, received or provided must be declared by the team member receiving or issuing it to their GLT member. The GLT member is responsible for ensuring that the following information of the gift or gratuity is recorded in the company's register within 2 working days:

- (a) the nature / purpose;
- (b) the recipient;
- (c) the provider;
- (d) the fair market value; and
- (e) the basis for acceptance / supply.

4. Specific Policy

4.1 Receiving from Suppliers

Gifts, entertainment, meals, or other gratuities offered by anyone with whom there is no existing business dealings, or who may be trying to influence our buying decisions must be declined. Team members should not accept gratuities where it is provided exclusively to them, so as to avoid any appearance of influence on their business decisions. By doing this, we put no supplier at an unfair advantage or disadvantage, and we encourage a focus on price, quality, and service.

In consideration of this policy and in consultation with your GLT, gifts, entertainment, or meals provided by an existing supplier may be permissible as a legitimate business activity. Always use good judgment and get approval from your GLT before accepting anything from a supplier.

4.2 Receiving from Others

Receiving gifts of modest value may be acceptable when the giver has no business relationship with the Group, for example: recognition awards for community service, non-monetary gratuities for speaking appearances, or other tokens of appreciation for services or accomplishments. Modest forms of entertainment offered by a non-supplier may be accepted if they are infrequent, in good taste, and create no sense of obligation to the host.

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4.3 Receiving at Christmas

Receiving gifts at Christmas is a common form of acknowledgement of an ongoing relationship between companies.

During the Christmas period (15 November to 15 January) all gifts received shall be recorded as per Section 3 (clause 3.4) of this policy and surrendered to Risk Management. All gifts surrendered will be raffled in the week prior to Christmas with proceeds to one of the Group's chosen charities.

4.4 Giving to Customers, Suppliers, Media, or Financial Analysts

To build relationships and promote enthusiasm and teamwork, we may provide occasional meals, entertainment, or token gifts to customers, suppliers, journalists, or financial analysts. Providing gifts, entertainment, or gratuities is appropriate only when ALL the following conditions are met:

- (a) it is legal;
- (b) the recipient's policies permit acceptance;
- (c) it is in the company's legitimate business interest to do so;
- (d) it is appropriate given local business customs; and
- (e) it is done infrequently.

Gifts to potential customers and others with whom the Group has no current commercial relationship should be evaluated the same way.

4.5 Giving to Government Officials or Union Representatives

Super Cheap Auto Group has important relationships with government officials and union representatives. Always consult with your GLT member before providing any gift, meal, entertainment, or any other gratuity to any government or union official. The relevant laws and regulations are complex and the consequences for violations are serious.

4.6 Threshold Amount

Even items that are primarily designed to be of business benefit may not be accepted if they are of substantial value.

As a general rule, team members may not accept a gift or any other thing of value that has a fair market value of \$50 or greater per item and an aggregate value of \$100 per team member per year.

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4.7 Cash

Team members may not under any circumstances accept or request cash or cash equivalents (e.g., cheques, gift certificates, and the like).

4.8 Good Taste

All gifts and gratuities accepted in accordance with this policy must be in good taste and consistent with the business objectives and Group Values.