



# **Redflex International Anti-Bribery Compliance Procedures**

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# **Redflex Anti-Bribery Compliance Procedures Executive Summary**

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## EXECUTIVE SUMMARY

### 1. Executive Summary

#### 1.1 Note: Redflex Employee, Director, and Other Obligations

All Redflex employees, directors, and others, such as Commercial Intermediaries, to whom this Policy applies by written agreement, are responsible for reading and complying with the Redflex Global Anti-Bribery and Anti-Corruption Policy and the Redflex Anti-Bribery Compliance Procedures relating to Commercial Intermediaries, Gifts and Hospitality, Charitable, Political, Sponsorship Contributions and Trade Shows, and Financial and Accounting Policies (hereinafter "Redflex Anti-Bribery Compliance Procedures").

This Executive Summary is designed to provide a brief overview of the Redflex Anti-Bribery Compliance Procedures—it is not a substitute for reading the complete Redflex Anti-Bribery Compliance Procedures.

**Failure to read and comply with the all Redflex Anti-Bribery Policies and Procedures may result in severe disciplinary action, up to and including termination.**

### 2. Duty to report

All Redflex employees, directors and Commercial Intermediaries are required to report any violations or potential violations of this procedure or the Applicable Anti-Bribery Laws to:

- (a) Redflex's confidential, anonymous ETHICS HOTLINE on the Intranet; or
- (b) Redflex Legal and Company Secretarial Department:  
[compliance@redflex.com.au](mailto:compliance@redflex.com.au)

### 3. Procedures for the Retention of Commercial Intermediaries

#### 3.1 General

This procedure detail the due diligence procedures that must be followed when Redflex is interested in retaining a Commercial Intermediary to perform work for or on behalf of Redflex. Particular caution shall be exercised in the selection and retention of Commercial Intermediaries to confirm the professional qualifications and reputation of a Commercial Intermediary and to ensure there is no legal impediment to doing business with a particular Commercial Intermediary.

#### 3.2 Commercial intermediary

This definition includes distributors, consultants, lobbyists, sales agents, joint venture partners, construction subcontractors and other third party intermediaries that provide services to or on behalf of Redflex.

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### **3.3 Timing**

Redflex shall conduct anti-bribery due diligence on all Commercial Intermediaries in a new engagement and upon contract renewal (or at least every three years).

### **3.4 Due Diligence**

No Redflex employee or director shall enter into an agreement with a Commercial Intermediary without completing the forms, documentation and due diligence procedures required by Section 3 of the detailed procedures, and obtaining the advanced, written approval of the Group General Counsel & Company Secretary.

### **3.5 Red Flags**

The list of "Red Flags" located in Appendix E shall be reviewed and, if applicable to the particular Commercial Intermediary, addressed through additional investigation and due diligence.

### **3.6 Written Agreement**

Once approved in writing, a written agreement shall be drafted that includes representations and warranties regarding the Commercial Intermediary's business practices and anti-bribery compliance. No payments will be made to, and no work for Redflex will be conducted until a written agreement has been executed by both parties.

### **3.7 Scope**

No Redflex employee may take action during the performance of the agreement to increase the scope of the Commercial Intermediary's obligations and duties.

### **3.8 Disbursement**

No payment shall be made to any Commercial Intermediary if there is reason to believe that all or any portion of that payment has been offered, given or promised, directly or indirectly, for any unlawful purpose or in violation of Redflex Anti-Bribery Compliance Procedures.

### **3.9 Documentation**

All required forms relating to the Commercial Intermediary approval process are located in the Appendices to the detailed procedures.

## **4. Gift and Hospitality Procedures**

### **4.1 General**

This procedure defines the procedures that Redflex directors, employees and Commercial Intermediaries must follow when providing/receiving gifts or services to/from Interested Persons, Government employees and Foreign Government Officials.

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## 4.2 Policy

No Gift or Hospitality will be provided directly or indirectly unless it is:

- (a) legal and appropriate under applicable federal, state, and local government laws and the laws of the country in which the recipient resides;
- (b) compliant with the policies of Redflex and the recipient's organisation;
- (c) not provided so frequently to the same Interested Person so as to raise an appearance of impropriety; and
- (d) recorded fairly and accurately in Redflex's books and records.

**All Redflex employees, directors and Commercial Intermediaries must review and comply with the Gift and Hospitality Procedures.**

## 4.3 Strictly Prohibited

The following are NEVER permitted:

- (a) cash or cash equivalents;
- (b) per diem payments, extensions of credit or the forgiveness of debt;
- (c) Gifts or Hospitality provided in secret;
- (d) Gifts or Hospitality that have the appearance of illegality; or
- (e) Gifts or Hospitality that violate the local laws or policies of the Interested Person's employer/agency;

## 4.4 Approval

No Gifts or Hospitality may be provided to Government employees or Foreign Government Officials without the advanced, written approval of the Group General Counsel & Company Secretary.

## 4.5 Payment or Reimbursement

Payment or Reimbursement shall be provided to a Redflex employee, director or Commercial Intermediary that has incurred expenses in connection with providing Gifts or Hospitality only if supported by itemised receipts and a copy of the approval documentation.

## 4.6 Gift Registry

All Gifts and Hospitality shall be recorded fairly and accurately in the books, records and accounts of Redflex in accordance with this procedure.

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## **4.7 Receiving Gifts or Hospitality**

Redflex employees and directors and their immediate family are prohibited from accepting Gifts or Hospitality over \$100, or any special discounts from any person or firm doing, or seeking to do business with Redflex without the approval of the Group General Counsel & Company Secretary.

## **4.8 Documentation**

All required forms relating to the Gifts and Hospitality process are located in the Appendices to the Gifts and Hospitality Procedures.

## **5. Charitable, Political, Sponsorship Contribution and Trade Show Procedures**

### **5.1 General**

Any Redflex employee or director seeking to make a Charitable, Political, or Sponsorship contribution or attend a Trade Show must follow these procedures.

### **5.2 Political contributions**

No Redflex employee or director may make a Political donation, for or on behalf of Redflex, to a political party or any candidate for political office, without the prior, written approval of the Group General Counsel & Company Secretary.

### **5.3 Charitable or sponsorship contribution**

No Redflex employee or director may make a Charitable or Sponsorship contribution, for or on behalf of Redflex, to organisations or associations for the personal, financial, or political benefit of a Government Employee or Foreign Government Official or his/her family.

### **5.4 No cash contributions**

Under no circumstances shall a Redflex employee or director provide a Political or Charitable contribution in cash.

### **5.5 No foreign political contribution**

Under no circumstances shall a Redflex employee or director make a political contribution to political parties or candidates in foreign countries even if the contribution is legal under the laws of the foreign country.

### **5.6 Trade Shows**

No Redflex employee or director may sign up for a Trade Show without the prior written approval of the Group General Counsel & Company Secretary.

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## **5.7 Commercial Intermediaries**

Commercial Intermediaries are and must be expressly prohibited from offering or providing Charitable or Sponsorship contributions or Political donations, by or on behalf of Redflex.

## **5.8 Forms**

Any Redflex employee or director seeking to make a Charitable, Political, or Sponsorship contribution must complete and sign the "Request to Make a Charitable, Political, or Sponsorship Contribution" form. See the detailed procedures for details.

## **5.9 Documentation**

All Political, Charitable, and Sponsorship contributions must be supported by a legitimate, detailed and contemporaneous receipt from the recipient that fully and accurately describes the contribution, and must be recorded fairly and accurately in the Redflex books and records. If the recipient refuses to provide a receipt containing this information, a contribution may not be provided.

## **5.10 Approval**

No Political, Charitable, or Sponsorship contribution may be provided without the advanced written approval of the Group General Counsel & Company Secretary.

## **5.11 Payment**

Payment shall only be made via Corporate cheque request. Payment shall be provided only if supported by the documentation required by this procedure. Contribution expenses MUST NOT be submitted for reimbursement on expense reports.

## **6. Financial & Accounting Procedures**

### **6.1 General**

Redflex shall establish and maintain a system of internal controls that ensures that all transactions and dispositions of assets occur only with appropriate authorizations, and that all such transactions are recorded fairly and accurately and in reasonable detail in Redflex's accounts, books and records.

### **6.2 Liability**

The recordkeeping requirements apply to all aspects of the Company's business activities and are not limited to bribes or other improper payments. The mischaracterization or omission of any transaction in Redflex's books and records, or the failure to maintain proper internal controls may result in significant liability for Redflex and the Redflex employees that have caused the inaccurate books and records.



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### 6.3 Duty to report

All Redflex employees and directors with financial and accounting duties have an obligation to be alert to a possible violation of the following financial and accounting requirements and will report suspected violations to the Group General Counsel & Company Secretary. **Failure to do so may result in severe disciplinary action.**

### 6.4 Internal control

Redflex shall maintain a system of internal financial and accounting controls sufficient to provide a reasonable assurance that:

- (a) all transactions are authorised in accordance with management's general or specific authorization;
- (b) all transactions are recorded in a manner that allows the proper preparation of financial statements in conformity with the applicable accounting standards (AASB), the International Financial Reporting Standards ("IFRS") or generally accepted accounting principles ("GAAP") or other accounting standards as applicable;
- (c) access to assets is limited and permitted only with the appropriate authorisation; and
- (d) existing assets are compared with recorded balances, and appropriate action is taken with respect to any differences.

### 6.5 Strictly Prohibited

False or misleading entries in Redflex books and records are strictly prohibited, such as:

- (a) false invoices, over-invoices or other misleading documentation;
- (b) false entities, sales, purchases, services, loans or financial arrangements;
- (c) failing to record transactions (off-book accounts/slush funds);
- (d) submitting deliberately false or inaccurate expense reports;
- (e) creating records that mischaracterize the true nature of a transaction or recipient of payment;
- (f) vague or non-specific descriptions for payments made in entries;
- (g) payment descriptions that do not correspond to the appropriate account; and
- (h) Gift or Hospitality expense forms with incomplete or inaccurate information.

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## 6.6 Compliance

All Redflex employees and directors shall strictly comply with the requirements of this procedure.

### Change History Log

Date	Ver. #	Change Description	Author
07/02/2015	1	Original	Redflex
13/04/2016	2	Amend "Red Flags" Appendix reference	Catherine Garde



# **Redflex Anti-Bribery Compliance Procedures**

## **Procedures for the Retention of Commercial Intermediaries**

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# PROCEDURES FOR THE RETENTION OF COMMERCIAL INTERMEDIARIES

## 1. Purpose

The purpose of this document is to define the due diligence procedures to be followed when Redflex retains a Commercial Intermediary to perform work for or on behalf of Redflex. The procedures are designed to ensure that the Commercial Intermediary, and anyone acting on its behalf, complies with the laws, rules and regulations of the countries, states, cities and municipalities in which it operates, including, without limitation, state and local anti-bribery laws, the Australian Criminal Code Act of 1995, the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act (Bribery Act), and the international standards embodied in the Organisation for Economic Co-operation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the United Nations Convention Against Corruption (collectively, the "**Applicable Anti-Bribery Laws**"), as well as Redflex's anti-bribery policies and procedures.

**NOTE: A Commercial Intermediary cannot start or continue working for Redflex if an executed contract has not been returned to the Legal Department.**

## 2. Scope

These procedures are designed to ensure that the Commercial Intermediary, and anyone acting on its behalf, complies with the Applicable Anti-Bribery Laws and Redflex's anti-bribery policies and procedures.

### 2.1 Terminology

"**Commercial Intermediaries**" include distributors, consultants, lobbyists, sales agents, joint venture partners, construction subcontractors and other third party intermediaries that provide services to or on behalf of Redflex.

A "**Public Official**" is:

- (a) Any applicable federal, state, or local government employee, including consultants acting on behalf of the entity;
- (b) Any officer or employee of a foreign government or member of its armed forces or any department, agency, or instrumentality thereof;
- (c) Any person acting in an official capacity for or on behalf of any such government or department, agency or instrumentality;
- (d) Any domestic or foreign political party or official thereof or any candidate for domestic or foreign political office; or
- (e) Any nominee, relative or associate of any person described above.

### 2.2 Duty to Report

All Redflex employees and directors are required to report any violations or potential violations of this procedure or the Applicable Anti-Bribery Laws to:

- (a) Redflex's confidential, anonymous ETHICS HOTLINE on the Intranet; or
- (b) Redflex Group General Counsel & Company Secretary: [compliance@redflex.com.au](mailto:compliance@redflex.com.au):

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### **3. Process flow**

Commercial intermediaries shall be retained on a selective, as-needed basis, and only after determining that the special expertise needed is not available within Redflex.

Redflex shall conduct anti-bribery due diligence on all Commercial Intermediaries in a new engagement and upon contract renewal or at least every three years. The purpose of the anti-bribery due diligence is to confirm the professional qualifications and reputation of a Commercial Intermediary, to ensure there is no legal impediment to doing business with a particular Commercial Intermediary and to ascertain whether there are either historical corruption issues or negative media reports that could reflect negatively on Redflex or put Redflex on notice of the likelihood of future wrongdoing.

#### **3.1 Document purpose for retaining intermediary and preliminary risk analysis to determine level of review**

Employees or directors seeking to engage a Commercial Intermediary must submit a data sheet and preliminary risk analysis to the Department Manager and Legal Department. The data sheet and preliminary risk analysis will be reviewed to determine level risk associated with the proposed Commercial Intermediary and the level of due diligence required. The data sheet and preliminary risk analysis must document the following:

- (a) The purpose for which the Commercial Intermediary is being retained;
- (b) Why that particular Commercial Intermediary was selected;
- (c) The services the Commercial Intermediary is expected to render; and
- (d) The Commercial Intermediary's proposed compensation.

**See Appendix A for Commercial Intermediary Data Sheet and Preliminary Risk Analysis to be completed by employee or director.**

#### **3.2 Due diligence review**

The Group General Counsel & Company Secretary (or his or her delegate) will review the Commercial Intermediary Data Sheet and Risk Analysis and will determine the level of due diligence to be performed.

**See Appendix A for Commercial Intermediary Data Sheet and Preliminary Risk Analysis.**

#### **3.3 TRACE due diligence review**

If the initial data sheet and risk analysis indicates that the Commercial Intermediary is a proposed distributor or other third party that requires significant due diligence, the due diligence will be performed by TRACE, a third party due diligence service provider.

**See appendix B for TRACE due diligence review procedures.**

#### **3.4 Additional due diligence**

In selecting a Commercial Intermediary, Redflex must be able to demonstrate that it has identified and fully investigated "red flags" – generally defined as circumstances which could place a reasonable person on notice that illegal or improper conduct has or may occur. The discovery of a "red flag" during due diligence shall, at a minimum, require additional investigation.

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See Appendix E for the Commercial Intermediary “Red Flags” Form.

### 3.5 Draft contract with Commercial Intermediary

**NOTE: A Commercial Intermediary cannot start or continue working for Redflex if an executed contract has not been returned to the Legal Department.**

**Written Agreements with Commercial Intermediaries:** Once risk has been reviewed and the Group General Counsel & Company Secretary has provided a written approval regarding the use of a particular Commercial Intermediary, a written agreement shall be drafted. If the Commercial Intermediary has their own contract, it must be forwarded to the Group General Counsel & Company Secretary in WORD so that it can be modified as needed. In addition to documenting the general rights and obligations of the parties, Redflex shall include representations and warranties in its written agreements with Commercial Intermediaries regarding their business practices and anti-bribery compliance. Redflex will also seek covenants in its written agreements with Commercial Intermediaries governing future conduct as it relates to anti-bribery compliance.

**Out of Scope Actions Prohibited:** No Redflex employee or director may take action during the performance of the agreement to increase the scope of the Commercial Intermediary’s obligations and duties. Any offer or attempt by the Commercial Intermediary to take action beyond the scope of the agreement shall be immediately rejected and under no circumstances shall any employee or director act in a manner indicating Redflex approval of the Commercial Intermediary’s “out of scope” actions. The failure to act in accordance with this instruction may result in severe disciplinary action, including termination of employment.

**Representations and Warranties:** All written agreements with Commercial Intermediaries shall also contain the following representations and warranties. No payments will be made to, and no work for Redflex will be conducted by a Commercial Intermediary until a written agreement containing the following representations and warranties has been executed by both parties.

- (a) *All Commercial Intermediaries shall be required to comply with the laws, rules and regulations of the countries, states, cities and municipalities in which they operate (except to the extent inconsistent with applicable law), including, without limitation, the Applicable Anti-Bribery Laws, and Redflex anti-bribery policies and procedures.*
- (b) *In all undertakings the Commercial Intermediary will not pay, offer, authorise, or agree to pay, directly or indirectly, anything of value, on behalf of Redflex, to a Public Official or any other person, while knowing or having reason to know that all or a portion of the thing of value may be offered, given or promised, directly or indirectly, for the purpose of securing any improper advantage.*
- (c) *The Commercial Intermediary warrants that all records, information and representations that it has provided to Redflex before the signing of the contract and will provide to Redflex in the future, are and will be complete and accurate.*
- (d) *The Commercial Intermediary will maintain accurate books and records regarding the transactions conducted on behalf of Redflex.*
- (e) *The Commercial Intermediary shall permit Redflex to conduct internal and independent audits of its books and records to ensure compliance with the Applicable Anti-Bribery Laws.*
- (f) *The contract will automatically be rendered void ab initio and the Commercial Intermediary will automatically surrender any claim for payment under the contract even for sales previously concluded or sales previously rendered under the following circumstances:*

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- (i) *The Commercial Intermediary has violated the Applicable Anti-Bribery Laws or Redflex anti-bribery policies and procedures;*
  - (ii) *A material breach of contract;*
  - (iii) *Any failure to comply with the contract's representations and warranties;*
  - (iv) *Any refusal to timely comply with Redflex's right to audit the Commercial Intermediary's books and records;*
  - (v) *Taking action outside the scope of the contract without the prior, written approval of Redflex; or*
  - (vi) *Any failure by the Commercial Intermediary to notify Redflex of a material change in a representation or warranty within 30 days.*
- (g) *Redflex will have the right, when required, to disclose the agreement, alleged improper activity, and amount of payments made to the Commercial Intermediary under the contract to relevant government authorities.*
  - (h) *The Commercial Intermediary will be solely responsible for all of its costs and expenses incurred in connection with its representation of Redflex, unless responsibility is assumed in writing in advance with a detailed itemisation of expenses.*
  - (i) *The Commercial Intermediary must maintain adequate controls over reimbursable expenses.*
  - (j) *Payments must be made directly to the Commercial Intermediary's bank account in the country in which it is incorporated, resides or provides services or by check payable to the Commercial Intermediary for delivery where the Consultant is incorporated, resides or provides services.*
  - (k) *Neither the Commercial Intermediary nor any of its company representatives is a Public Official, a consultant to a Public Official, or affiliated with a Public Official, nor will any of them become a Public Official during the term of the contract.*
  - (l) *The Commercial Intermediary's duties and scope of its authority to act on behalf of Redflex will be clearly defined. Any actions taken beyond the scope of this authority will be without Redflex consent and could result in the termination of the contract.*
  - (m) *The Commercial Intermediary shall agree that the contract is lawful in the jurisdiction in which it is to be performed.*
  - (n) *The Commercial Intermediary shall be prohibited from assigning or novating the agreement without Redflex's prior written consent.*
  - (o) *The Commercial Intermediary will fully indemnify Redflex for any violation of any laws or regulations in which the Commercial Intermediary operates, including but not limited to, the Applicable Anti-Bribery Laws.*
  - (p) *All Commercial Intermediaries shall receive a copy of the Redflex anti-bribery policies and procedures and will agree to be bound by its provisions.*
  - (q) *The Commercial Intermediary shall be prohibited from hiring any sub-commercial intermediaries (such as an agent, subcontractor or consultant) without Redflex's prior written consent.*



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- (r) *The Commercial Intermediary shall provide prompt notice of any change of ownership.*
  - (s) *The Commercial Intermediary shall certify that it has not been convicted of or pleaded guilty to a criminal offence, including one involving fraud or corruption, and that it is not now, to the best of its knowledge, the subject of any government investigation for such offences, and that it is not now listed by any government agency or nongovernmental organisation as debarred, suspended, proposed for debarment, or otherwise sanctioned or ineligible for government programs, privileges, contracts, or licences.*
  - (t) *A written commitment by the Commercial Intermediary to report any requests for improper payments to:*

**Redflex Group General Counsel & Company Secretary:** [compliance@redflex.com.au](mailto:compliance@redflex.com.au)

### **3.6 Disbursement to Commercial Intermediaries**

No payment shall be made to any Commercial Intermediary if there is reason to believe that all or any portion of that payment has been or will be offered, given or promised, directly or indirectly, to any individual or Public Official on behalf of Redflex for any unlawful purpose.

When auditing the Commercial Intermediary's compensation and expense reimbursements, Redflex should consider:

- (a) the amount paid in relation to the total payments under the agreement;
- (b) the nature of the expenses;
- (c) the Commercial Intermediary's services rendered during the period; and
- (d) the customers with whom the Commercial Intermediary had contact.

Payments may only be made directly to the Commercial Intermediary's bank account in the country in which it is incorporated, resides or provides services or by cheque payable to the Commercial Intermediary for delivery where the Consultant is incorporated, resides or provides services.

**Under no circumstances shall payments be made in cash or to unknown third parties.**

Invoices for key Commercial Intermediaries shall contain the following certification:

*"By accepting payment hereof, [the Commercial Intermediary] hereby certifies that no portion of the sum invoiced herein has been paid to any government official or any person or entity for any unlawful purpose and all lawful payments to government entities for services, licenses, permits, etc. are supported by itemized receipts and/or appropriate documentation."*

### **3.7 Maintain contract and support documentation**

The Group General Counsel & Company Secretary (or his or her delegate) will or will direct the relevant Redflex department to maintain the following:

- (a) A register of all active Commercial Intermediaries;
- (b) All documentation relating to the Commercial Intermediary due diligence review, including but not limited to: risk review questionnaires, analyses, and supporting documentation; and

- 
- (c) Any written agreements, and all amendments thereto, between Redflex and the Commercial Intermediary.

#### 4. Authorization and change history

This document is authorized by:

Name:	Paul Clark
Title:	Group Chief Executive Officer Redflex Holdings Limited
Approval Date:	July 2015

#### Change History Log

Date	Ver. #	Change Description	Author
02/07/2015	1	Original	Redflex
11/04/2016	2	Incorporate TRACE due diligence process	Catherine Garde

**APPENDIX A**

**NOTE: To be Completed by Employee or Director Seeking to Engage Intermediary and Reviewed/Approved by Department Manager and General Counsel & Company Secretary.**

1. Name of the person/ firm you want to engage as a Commercial Intermediary for Redflex?

2. What is the purpose for retaining the Commercial Intermediary (e.g marketing, distribution, business development, taxation or legal services, lobbying, local representative, service provide)?

3. Why was this particular Commercial Intermediary selected?

4. What are the services the Commercial Intermediary is expected to render?

5. What is the Commercial intermediary's proposed compensation?

- 
6. What is the amount of revenue Redflex generates over the course of a calendar year in the territory in which the Commercial Intermediary operates?

7. Would the Commercial Intermediary have exclusive rights to sell or market Redflex products and/or services in a specific territory?

8. What would be the Commercial Intermediary's total compensation under all contracts that Redflex has entered into with the Commercial Intermediary, worldwide?

9. Is the Commercial Intermediary a publicly-traded company listed on a recognized stock exchange?

10. Will the Commercial Intermediary sell or market Redflex products and/or services to commercial customers or government customers?

11. Is the Commercial Intermediary likely to have contact with Public Officials on behalf of Redflex?

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12. If so, what would be the nature and frequency of contact that the Commercial Intermediary is likely to have with Public Officials?

13. Are the Public Officials or their close relatives major shareholders in or hold key management positions with the Commercial Intermediary?

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**Employee/ Director Signature**  
**(Attesting that above is true)**

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**Date**

---

**Reviewed/ Approved by Department Manager**

---

**Date**

---

**Reviewed/ Approved by**  
**Legal Department**

---

**Date**

**APPENDIX B****NOTE: To be Completed by the Legal & Secretarial Department**

If it is determined that a significant due diligence review of a Commercial Intermediary is appropriate, the following shall be performed, requested, and information gathered and documented (subject to changes by the Group General Counsel & Company Secretary as he/she has discretion over the scope of the information that is ultimately collected):

- Conduct a review of local laws relating to the retention of commercial intermediaries in the subject jurisdiction;

- Require the Commercial Intermediary to complete a background questionnaire;

**See Appendix C for the Background Questionnaire**

- Work with the Legal Department to send the Commercial Intermediary a TRACE introduction letter. This letter informs the Commercial Intermediary about the TRACE due diligence process and what to expect;

**See Appendix D for the TRACE Introduction Letter.**

- Order a TRACE Certification Review, Embassy Check and Reference Check from TRACE. Note- the results of this process can take anywhere from one month to several months;
- Follow up with TRACE until the review is complete;
- Review the results of the TRACE Certification Review, Embassy Check and Reference Check;
- Review the reasonableness of the Commercial Intermediary's price or compensation; and
- Summarise results and conclusions.

**COMMERCIAL INTERMEDIARY TRACE  
BACKGROUND QUESTIONNAIRE FORM**



**APPENDIX C**

**This form is to be completed by the Commercial Intermediary.**

**1. APPLICANT**

Corporation  Individual

Name	
Street and No.	
Suburb	
Territory	
Zip Code	
Website	
Email	
Registration Number	
Date of Establishment	

Name	
Title	
Street and No.	
Suburb	
Territory	
Zip Code	
Phone	
Email	

**2. APPLICANT'S PRIMARY CONTACT**

*(For this opportunity)*

Name	
Title	
Phone	
Email	

**5. NUMBER OF EMPLOYEES**

Sales	
Finance	
Software Engineers	
Hardware Engineers	
Field Technician	
R & D	
Tender Team	
Direction	
Administration	
Supplying	
Various Positions	
<b>Total Number</b>	

**3. THE ADDRESS GIVEN IN QUESTION 1 IS THE:**

Main Office   
Branch/ Subsidiary Office

**4. LIST MAIN OFFICE/ ALL BRANCHES/ SUBSIDIARIES**

*(If insufficient space, attach additional details)*

Name	
Title	
Street and No.	
Suburb	
Territory	
Zip Code	
Phone	
Email	

**6. HAS THERE BEEN ANY SIGNIFICANT CHANGE IN THE OWNERSHIP DURING THE LAST TWO YEARS? (if Yes, please provide details)**

Yes  No



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7. IS ENGLISH YOUR COMMON LANGUAGE?

Yes  No

8. IS ENGLISH A COMMON LANGUAGE FOR ALL EMPLOYEES IN THE COMPANY WHO WILL DEAL DIRECTLY WITH REDFLEX?

Yes  No

9. BRIEFLY DESCRIBE THE NATURE AND HISTORY OF YOUR BUSINESS AND PRIMARY SERVICES PROVIDED.

10. DOES YOUR ORGANIZATION HAVE THE CAPABILITY TO UNDERSTAND, DEMONSTRATE, INSTALL AND MAINTAIN REDFLEX EQUIPMENT INCLUDING RUN SPEED ENFORCEMENT PROGRAMS? (If Yes, please explain resources/ experience)

11. MAJOR CLIENTS/ CUSTOMERS

12. PLEASE PROVIDE PAST SALES RECORDS

Customer	Product	Budget

13. LIST PREVIOUS OR CURRENT AGREEMENTS, IF ANY, WITH REDFLEX OR ITS RELATED COMPANIES.

14. ESTIMATE THE POTENTIAL SALES IN YOUR TERRITORY FOR REDFLEX PER ANNUM (in USD\$).

15. LIST THE NAMES AND TITLES OF ANY PUBLIC OFFICIALS AND GOVERNMENT AGENCIES THAT APPLICANT WILL INTERACT WITH ON BEHALF OF REDFLEX.



**16. LIST OTHER FIRMS REPRESENTED (CURRENTLY OR WITHIN THE LAST 12 MONTHS) WHERE THE ACTIVITIES PERFORMED ARE SIMILAR TO THOSE CONTEMPLATED UNDER THE PROPOSED AGREEMENT**

**17. PLEASE PROVIDE 3 YEARS OF FINANCIAL STATEMENTS AND EXPECTATIONS;**

	Annual turnover (in US\$)
2014 Budget	
2015 Budget	
2016 Budget	
N+1 Expectation	

**18. IF REQUESTED BY REDFLEX, THE APPLICANT AGREES TO ALLOW REDFLEX TO REVIEW TO BOOKS AND RECORDS AND INTERNAL CONTROLS, AND PROVIDE REDFLEX WITH A COPY OF RECENT AUDITED FINANCIAL STATEMENTS?**

*(if No, please explain)*

Yes

No

**19. PLEASE EXPLAIN THE CURRENT OPPORTUNITY**  
*(Which Redflex Products or Services does applicant wish to act as a Commercial Intermediary?).*

**20. PROVIDE OTHER RELEVANT MARKET INFORMATION.**

*(No. of cameras – competitors present in the market, specific laws applicable etc.)*

---

I CERTIFY THAT THE INFORMATION PROVIDED IN EACH OF THE ITEMS IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT REDFLEX WILL RELY ON THE ABOVE INFORMATION IN DETERMINING WHETHER TO ENTER INTO ANY CONTRACTUAL AGREEMENT WITH THE APPLICANT, AND THAT ANY FALSE OR MISLEADING INFORMATION PROVIDED BY THE APPLICANT WOULD BE GROUNDS FOR THE IMMEDIATE TERMINATION OF ANY SUCH CONTRACTUAL AGREEMENT.

Signature

**APPENDIX D**

DATE

THIRD PARTY NAME  
ADDRESS

Dear NAME,

RE:

As part of our continuing commitment to compliance with national and international anti-bribery laws, we have established a relationship with TRACE, an internationally respected business association with a demonstrated commitment to transparent business practices to conduct a due diligence process. We require all of our representatives and consultants to apply for TRACE certification prior to entering into new agreements.

Certification by TRACE requires you to voluntarily participate in a thorough background (“due diligence”) review of your company.

Your TRACE certification will provide companies with which you do business with the confidence that the activities you undertake are in compliance with national and international anti-bribery requirements. TRACE certification can be a valuable marketing tool for you. If you are approved for TRACE certification you will receive a certificate and a logo that you can post on your web-site or use in other marketing materials. This is free of charge as all fees are paid by us.

You will soon receive an email link from TRACE to access their online system. Simply click the link and it will direct you to the login and questionnaire. Please make a note of the login ID and password you select so that you can re-enter the questionnaire should you choose to exit and complete it at a later time. Once the questionnaire is complete please click on the “submit” tab. TRACE will contact you by email within a week to begin the review. TRACE will also contact your financial references so it is helpful if you notify them and encourage them to respond.

We will not proceed with a new contract until we receive confirmation of your TRACE certification. If you would like to find out more about TRACE, please visit TRACE’s web-site, [www.TRACEinternational.org](http://www.TRACEinternational.org). TRACE has helpful staff that will be available to answer any questions you might have.

Yours sincerely,

**APPENDIX E**

Additional due diligence and investigation shall be conducted if the Commercial Intermediary:

- Requests payment in cash or to a numbered account or the account of a third party;
- Request's payment in a country other than the Commercial Intermediary's country of residence or the territory of the sales activity (especially if it is a country with little banking transparency);
- Wire transfers do not disclose the identity of the sender or recipient;
- Requests payment or partial-payment in advance or immediately prior to a procurement decision;
- Requests payment for extraordinary, ill-defined or last-minute expenses;
- Does not have adequate resources or staff to perform the work required under the agreement;
- Has an employee who simultaneously holds a government position;
- Has a family member in a government position, especially if the family member works in a procurement or decision-making position or is a high-ranking official in the department that is the target of the intermediary's efforts;
- Refuses to disclose owners, partners or principals;
- Refuses to agree to representations and warranties in the contract that requires compliance with Applicable Anti-Bribery Laws or Redflex Anti-Bribery Policies and Procedures;
- Is owned by a government entity;
- Uses shell or holding companies or other unusual corporate structures that obscure ownership; Is specifically requested by a Public Official of the particular government customer;
- Has undisclosed agents or subagents who assist with its work;
- Commissions are outside the range that is typical or customary within the region or is unusually high without a corresponding level of service;
- Seeks to reserve the right to assign rights or obligations to a third party;
- Is ignorant or indifferent to local laws and regulations governing the region in question and the intermediary's proposed activities in particular;
- Identifies a business reference who declines to respond to questions or who provides an evasive response;
- Is the subject of credible rumors or media reports of inappropriate payments;
- Is currently under investigation or has been convicted of previous violations of law;
- Refuses to provide Redflex with audit rights;

- 
- Reluctant to participate in the Redflex commercial intermediary due diligence process;
  - Suggests that unethical or illegal conduct is acceptable because it is the norm in the country in which the contract will be performed.



# **Redflex Anti-Bribery Compliance Procedures**

## **Gifts and Hospitality Procedures**

REFLEX HOLDINGS LIMITED  
ABN 96 069 306 216  
PO Box 720, South Melbourne, Victoria, 3205  
31 Market Street, South Melbourne, Victoria, 3205  
[www.redflex.com.au](http://www.redflex.com.au)

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## GIFTS AND HOSPITALITY PROCEDURES

### 1. Purpose

- (a) The purpose of this document is to define the procedures that Redflex directors, employees and Commercial Intermediaries must follow when providing/receiving Gifts or Hospitality to/from Interested Persons.
- (b) Subject to sections 7.2 and 10.2, Redflex employees, directors and Commercial Intermediaries shall not, directly or indirectly, give, offer or promise Gifts or Hospitality to any Interested Persons without the prior, written approval of the Group General Counsel & Company Secretary.
- (c) All caps and limits set forth in these procedures are in Australian dollars but also apply to the equivalent amount of converted into a foreign currency (other than in the U.S. where the applicable amount is USD\$100).

### 2. Scope

This procedure relates to the rules governing the offer and acceptance of Gifts and Hospitality to Interested Persons. All Redflex directors, employees and Commercial Intermediaries must be particularly careful in determining whether a Gift or Hospitality is legal, reasonable and justifiable under the particular circumstance before the Gift or Hospitality is offered or accepted. No Gift or Hospitality will be provided directly or indirectly to any Interested Person unless it is:

- (a) legal and appropriate under applicable federal, state, and local government laws and the laws of the country in which the recipient resides;
- (b) compliant with the policies of Redflex and the recipient's organisation; and
- (c) designed to specifically advance Redflex business.

These procedures shall apply to all of Redflex's activities and transactions, both within and outside Australia. The procedures will control even though local law or custom may permit business standards that are less exacting than the procedures. Any circumstances not specifically addressed by this procedure shall be addressed on a case-by-case basis in consultation with the Group General Counsel & Company Secretary.

### 3. Duty to Report

All Redflex employees, directors and Commercial Intermediaries are required to report any violations or potential violations of this procedure or the Applicable Anti-Bribery Laws to:

- (a) Redflex's confidential, anonymous ETHICS HOTLINE on the Intranet; or
- (b) Redflex Group General Counsel & Company Secretary:  
[compliance@redflex.com.au](mailto:compliance@redflex.com.au)

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## 4. Terminology

**“Commercial Intermediaries”** include distributors, consultants, lobbyists, sales agents, joint venture partners, construction subcontractors and other third party intermediaries that provide services to or on behalf of Redflex.

**“Gift”** includes, but is not limited to any gratuity, favour, discount, benefit, commission, loan, special pricing arrangements, favourable payment terms forbearance, training, services, employment, internships or contributions of time, materials, equipment, or facilities, or other tangible or intangible items having monetary value, for which fair market value is not paid by the recipient.

**“Hospitality”** includes, but is not limited to any form of entertainment, including meals (whether hosted at a Redflex facility or elsewhere), social events (including sporting events, parties, golf outings, plays, receptions) and travel or related expenses (including transportation, local travel, lodgings and meals, whether provided in-kind, by purchase of a ticket, or reimbursement after the expense has been incurred).

**“Government Employee”** is any applicable federal, state, or local government employee, including contractors or consultants acting on behalf of the entity. It also includes employees, contractors and consultants of government owned corporations or enterprises and statutory authorities.

**“Foreign Government Official”** is:

- (a) any officer or employee of a foreign government or member of its armed forces or any department, agency, or instrumentality thereof;
- (b) any person acting in an official capacity for or on behalf of any such government or department, agency or instrumentality;
- (c) any official of a public international organisation (e.g., International Monetary Fund, The World Bank, the Red Cross);
- (d) any domestic or foreign political party or official thereof or any candidate for any domestic or foreign political office; or
- (e) or a nominee, relative or associate of any person described above.

**“Interested Person”** includes:

- (f) Government Employees or Foreign Government Officials;
- (g) any person or firm doing or seeking to do business with Redflex, including vendors, suppliers and Commercial Intermediaries; or
- (h) a financial institution.

**“Logo Items”** is the provision of any Gifts or tangible object (e.g., keychain, water bottle, glass, pen) bearing a Redflex name or logo, or the name or logo of any Redflex business unit or product.

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**“Non-Government Interested Person”** means an Interested Person other than a Government Employee or Foreign Government Official.

## **5. Policy requirements for providing Gifts and/ or Hospitality to Interested Persons**

The following are Gift and/ or Hospitality policy requirements:

### **5.1 General policy**

All Redflex directors, employees and Commercial Intermediaries who offer or provide Gifts or Hospitality to an Interested Person must ensure that it is ethical and legal and cannot reasonably be interpreted as an attempt to obtain or retain an improper business advantage for Redflex or otherwise reflects negatively on the reputation of Redflex or the recipient.

Any Gift or Hospitality provided to an Interested Person shall be done openly and transparently and shall be recorded fairly and accurately and Redflex’s books and records.

**Any Gifts or Hospitality over AUD\$100 requires approval from the Group General Counsel & Company Secretary.**

### **5.2 Business-appropriate**

Any Gift or Hospitality provided to an Interested Person shall be business-appropriate. A Gift or Hospitality is never business-appropriate if it:

- (a) would embarrass the Interested Person or Redflex if it were publicly disclosed;
- (b) is excessive or provided so frequently that it could be interpreted as an attempt to influence the Interested Person; or
- (c) is disproportionate to the annual income of the Interested Person.

### **5.3 Business Purpose**

Gifts or Hospitality offered on behalf of Redflex to an Interested Person must be directly related to Redflex business and be for a legitimate and lawful Business Purpose.

In order to be for a Business Purpose the Gifts or Hospitality must be reasonable and bona fide and must be offered only in connection with the promotion, demonstration or explanation of Redflex’s products or services or the execution or performance of a contract with an Interested Person. The costs associated with such Gifts or Hospitality will be only those necessary and reasonable to educate the Interested Person about Redflex operations.

### **5.4 Strictly Prohibited**

Under no circumstances shall Redflex employees, directors or Commercial Intermediaries give to Interested Persons:

- 
- (a) Gifts or Hospitality in the form of legal currency and cash equivalents such as travelers' cheques, gift cards, bearer instruments, notes and similar instruments or equity or debt instruments of any kind issued by Redflex or any of its affiliates or subsidiaries, or any other business entity;
  - (b) per diem payments, extensions of credit or the forgiveness of debt;
  - (c) Gifts or Hospitality provided in secret;
  - (d) Gifts or Hospitality that are illegal or have the appearance of illegality; or
  - (e) Gifts or Hospitality that violate the local laws or policies of the Interested Person.

## **5.5 Legal under local laws and policies**

- (a) The Redflex employee, director or Commercial Intermediary proposing the Gift or Hospitality to an Interested Person must consult the local laws and customs governing Gifts and Hospitality for the country, state or locality, in which the Interested Person is based, as well as the Interested Person's policy on Gifts and Hospitality, to determine that the Gift or Hospitality conforms to local law or local custom and individual policy.
- (b) In the event that the value of the Gift or Hospitality exceeds the limits permitted by local laws or custom or violates the Interested Person's policy, then the Gift or Hospitality **must not** be extended.

## **5.6 Special note regarding Government Employees and Foreign Government Officials**

- (a) The laws and regulations governing the offering of Gifts and Hospitality to Government Employees and Foreign Government Officials are complex and it is the policy of Redflex to strictly comply with such laws and regulations.
- (b) In all cases, it is against Redflex policy to offer, promise or give Gifts or Hospitality to Government Employees or Foreign Government Officials unless the laws and regulations applicable to that Government Employee or Foreign Government Official expressly permit the acceptance of such Gifts and Hospitality.
- (c) In addition, Redflex employees, directors and Commercial Intermediaries shall not, directly or indirectly, give, offer or promise Gifts or Hospitality to any Government Employees or Foreign Government Officials without the prior written approval of the Group General Counsel & Company Secretary.

## **5.7 Transparency and Documentation**

All Gifts and Hospitality extended by Redflex directors, employees and Commercial Intermediaries to Interested Persons, regardless of the value, shall be accurately reflected in the books, records and accounts of Redflex, and shall in all circumstances record the following in reasonable detail:

- 
- (a) the date, names, titles and company, government or agency of the Interested Person;
  - (b) the names and titles of the Redflex employees involved;
  - (c) a description of the Gift or Hospitality and the precise value of the Gift or Hospitality. If a precise value cannot be assigned, then a reasonable estimate of its value must be provided; and
  - (d) the business purpose of the Gift or Hospitality.

## **5.8 Spouses and Significant Others**

Under no circumstances shall the spouses, significant others or relatives of Interested Persons be given any Gift or invited to, or participate, in any Hospitality without the prior written approval of the Group General Counsel & Company Secretary, regardless of the value thereof.

## **5.9 Personal funds**

No employees, directors or Commercial Intermediaries shall use personal funds, whether or not reimbursed by Redflex, to provide Gifts or Hospitality to Interested Persons in a manner inconsistent with the Anti-Bribery Policy & Procedures. In other words, Redflex employees, directors and Commercial intermediaries shall comply with the provisions of these procedures even if personal funds are used.

## **5.10 Frequency of Gifts and Hospitality – Non-Government Interested Persons**

Frequency of Gifts and Hospitality must be carefully monitored, as the cumulative effect may give rise to the appearance of improper or illegal conduct. In the event that a Non-Government Interested Person receives Gifts or Hospitality valued at AUD\$100 or less three times in a single twelve-month period, then any additional Gifts and Hospitality thereafter during the next twelve months shall be treated as valued at more than AUD\$100 for purposes of these procedures, and shall require the prior written approval of the Group General Counsel & Company Secretary.

## **5.11 Frequency of Gifts and Hospitality – Government Employees and Foreign Government Officials**

Under no circumstances should Redflex employees, directors or Commercial Intermediaries provide Gifts or Hospitality (even of nominal value) to Government Employees or Foreign Government Officials without prior written approval of the Group General Counsel & Company Secretary.

## **5.12 Widely attended gatherings**

Hospitality provided at, in conjunction with, or during widely-attended events such as trade shows shall not require prior approval, provided that all of the following are satisfied:

- 
- (a) the Hospitality must be of reasonable value, conforms strictly to the requirements set forth in these procedures, and may not be offered to improperly influence any Interested Person;
  - (b) the widely-attended event in question has at least 40 attendees and the Redflex-sponsored Hospitality will have at least 15 attendees;
  - (c) the Hospitality is approved in writing by the Group General Counsel & Company Secretary prior to the widely attended gathering.
  - (d) The Hospitality shall be fully documented and submitted to the Group General Counsel & Company Secretary **not less than seven business days (or such other timeframe that is agreed) prior** to the provision of the Hospitality.
  - (e) The Redflex employee, director or Commercial Intermediary proposing Hospitality at or in conjunction with a widely-attended event shall consult the local laws and customs governing Gifts and Hospitality for the country, state or locality in which the Interested Person is based, as well as the Interested Person's policy on Gifts and Hospitality, to determine that the provision of Hospitality conforms to local laws or local custom and individual policy. In the event that the value of any Logo Item exceeds the limits permitted by local laws or custom or violates the Interested Person's policy, then the Gift or Hospitality must not be extended.

### **5.13 The value of Gifts and Hospitality at a widely-attended gathering**

- (a) In the case of Hospitality, the value of Hospitality under these procedures shall be the total actual cost of the event, in Australian dollars, divided by the number of participants or attendees reasonably expected to attend or that will be invited to the event.
- (b) In the case of Gifts, the value of the Gift under these procedures shall be the greater of:
  - (i) the actual cost to Redflex of the Gift;
  - (ii) the fair market value (if any) of the Gift; and
  - (iii) the face value (if any) of the Gift.

## **6. Travel, lodging and Hospitality expenses for Government Employees or Foreign Government Officials**

Travel and lodging may not be provided to Government Employees or Foreign Government Officials unless prior written authorisation is obtained from Group General Counsel & Company Secretary, and provided that all of the following are satisfied:

### **6.1 Directly Related to Redflex Business**

Travel, lodging and related Hospitality expenses must be completely and directly related to Redflex business, and must be offered only in connection with the

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promotion, demonstration or explanation of Redflex products or services or the execution or performance of a contract with a government customer. The costs associated with such travel, lodging and related Hospitality expenses will be only those necessary and reasonable to educate the Government Employee or Foreign Government Official about Redflex operations. Redflex may not select the particular Government Employee or Foreign Government Official who may travel. This decision may be made only by the relevant government.

## **6.2 Transparency and Documentation**

All travel, lodging and related Hospitality expenses, regardless of value, must be fairly and accurately recorded in Redflex's books and records in accordance with the recording procedures outlined in this Procedure.

## **6.3 Legal and Appropriate Under Local Laws**

All travel, lodging and related Hospitality expenses must be reasonable, appropriate to the circumstances, tasteful, permitted under the applicable federal, state, and local government laws and the laws of the country in which the recipient resides, and guidelines of the Government. The travel, lodging and related Hospitality expenses must not be lavish.

## **6.4 Prior Approval from government Supervisor**

If Redflex will pay airfare or lodging expenses for a Government Employee or Foreign Government Official in connection with the Government Employee or Foreign Government Official's visit to a Redflex office or facility, Redflex must obtain prior written approval from the Government Employee or Foreign Government Official's supervisor or Department that the visit and proposed hospitality are permissible.

## **6.5 Government Employee or Foreign Government Official's to visit Redflex's office or facilities**

If the terms of a contract with a customer specifically require a Government Employee or Foreign Government Official to visit Redflex's office or facilities, prior written approval or confirmation from the Government Employee or Foreign Government Official's supervisor is not required, but all travel and lodging expenses related to any such visit shall be subject to the requirements in Section 5 of these Procedures.

## **6.6 Payment Directly to Vendors**

Travel, lodging and related Hospitality expenses shall be paid directly to vendors (e.g., hotels, travel agencies, airlines). If direct payment is not possible, Redflex will reimburse the Government Employee or Foreign Government Official only up to a modest amount and upon the presentation of itemised receipts. Any reimbursement paid will be directly to the Government Employee or Foreign Government Official's employer/agency. **Redflex must never directly reimburse a Government Employee or Foreign Government Official for his/her expenses.**

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## **6.7 No advancement**

Advancement of travel, lodging and related Hospitality expenses is strictly prohibited.

## **6.8 Economy Class Travel**

All commercial airfare for Government Employees or Foreign Government Officials paid for by Redflex will be economy class.

## **6.9 Lodging**

All lodging for Government Employees or Foreign Government Officials paid for by Redflex will be in three star hotels. Four and Five star hotels are not permitted.

## **6.10 No Compensation for Travel**

Redflex may not compensate the Government Employee, Foreign Government Official, or foreign government customer for the visit to a Redflex office or facility.

## **6.11 No Spouses or Significant Others**

Redflex may not provide travel, lodging and related Hospitality expenses to a Government Employee or Foreign Government Official's spouse, significant other or relative.

## **6.12 Business Travel Must be Necessary**

No travel, lodging and related Hospitality expenses shall be offered to a Government Employee or Foreign Government Official if the business reason underlying the trip does not require travel.

## **6.13 No Entertainment, Side Trips or Spending Money**

Redflex shall not fund, organise or host entertainment, side trips or leisure activities for the Government Employee or Foreign Government Official, nor provide the Government Employee or Foreign Government Official with a stipend or spending money.

## **6.14 Meals and Refreshments**

Expenses for meals and refreshments for Government Employees and Foreign Government Officials must comply with the laws, regulations and policies applicable to the Government Employee or Foreign Government Official, and must receive the advanced, written approval of the Group Chief Executive Officer or the Group General Counsel & Company Secretary.



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## 7. Process flow for providing Gifts and/ or Hospitality to Non-Government Interested Persons

### 7.1 Complete Appendix A - "Request to provide Gifts and/ or Hospitality to Non-Government Interested Persons"

- (a) If a Gift or Hospitality is intended to be offered, employees, directors, or Commercial Intermediaries must complete Appendix A - "Request to Provide Gifts and/or Hospitality to Non-Government Interested Persons" form in advance. The Gift/Hospitality must comply with the requirements for Gifts and Hospitality set out in Section 5.
- (b) The provision of any Logo Items to Non-Government Interested Persons, shall not require review or approval, provided that all of the requirements in Section 5 are satisfied.

**See Appendix A for "Request to Provide Gifts and/or Hospitality to Non-Government Interested Persons" form.**

### 7.2 Review and approve Appendix A

- (a) If the Gift and/or Hospitality is valued **LESS than or equal to AUD\$100** and **DOES NOT** follow 3 such Gifts/Hospitality provided to the same Non-Government Interested Person, the Department Head must review the "Request to Provide Gifts and/or Hospitality to Non-Government Interested Persons" form (Appendix A) and complete the review and approval section in strict with the Gift and Hospitality Policy Requirements outlined in Section 5. If the Gift and/or Hospitality complies with Section 5, then the Department Head can approve the form. If the Gift/ Hospitality does not comply with the requirements, the form must be forwarded to Group General Counsel & Company Secretary for review.
- (b) If the Gift and/or Hospitality is valued **GREATER than AUD\$100** or follows 3 such Gifts/Hospitality provided to the same Non-Government Interested Person, then the request must be reviewed and approved by Group General Counsel & Company Secretary. Requests to provide Gifts and Hospitality to Non-Government Interested Persons must be submitted to the Group General Counsel & Company Secretary **no less than ten business days (or such other timeframe that is agreed) prior** to the date on which the Gift or Hospitality is proposed to be conveyed.

### 7.3 Submit expense for payment or reimbursement

- (a) In the case where an employee, director or Commercial Intermediary incurs expenses in connection with providing Gifts or Hospitality to a Non-Government Interested Person, the employee, director or Commercial Intermediary shall submit an expense report and attach original itemised receipts to the Group General Counsel & Company Secretary to approve **within fifteen business days (or such other timeframe that is agreed) following the provision of the Gift or Hospitality.**

- 
- (b) An Appendix A -“Request to Provide Gifts and/or Hospitality to Non-Government Interested Persons” form must have been completed and approved for an expense to be reimbursed to the employee or to be a valid business expense. Neither payment nor reimbursement shall be provided without this form documenting that the Gift or Hospitality has been approved in accordance with these procedures.

#### **7.4 Record expense in details (Accounting Department)**

All Gifts and Hospitality extended by Redflex employees to Interested Persons shall be fairly and accurately reflected in the books, records and accounts of Redflex, and shall in all circumstances record the following in reasonable detail:

- (a) the date, names, titles and company of the Interested Persons;
- (b) the names and titles of the Redflex employees involved;
- (c) a description of the Gift or Hospitality and the precise value of the Gift or Hospitality. If a precise value cannot be assigned, then a reasonable estimate of its value shall be provided; and
- (d) the business purpose of the Gift or Hospitality.

#### **7.5 Forward copy of form to the Legal Department for filing purposes**

A copy of any Appendix A - “Request to Provide Gifts and/or Hospitality to Non-Government Interested Persons” forms approved by the Department Head under paragraph 6.2(a) must be forwarded to the Group General Counsel & Company Secretary for filing purposes.

### **8. Process flow for providing Gifts and/ or Hospitality to Government Employees or Foreign Government Officials**

#### **8.1 Complete Appendix B - “Request to provide Gifts and/ or Hospitality to Government Employees or Foreign Government Officials” Form**

If a Gift or Hospitality is intended to be offered, employees, directors, or Commercial Intermediaries must complete Appendix B - “Request to Provide Gifts and/or Hospitality to Government Employees or Foreign Government Officials” form. The Gift(s) must comply with the requirements for Gifts and Hospitality set out in Section 5.

**See Appendix B for “Request to Provide Gifts and/or Hospitality to Government Employees or Foreign Government Officials” form.**

Requests to provide Gifts and Hospitality to Government Employees or Foreign Government Officials must be submitted to the Group General Counsel & Company Secretary **no less than ten business days (or such other timeframe that is agreed) prior** to the date on which the Gift or Hospitality is proposed to be conveyed (or such shorter time as accepted by the Group General Counsel & Company Secretary).

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## 8.2 Review and approve Appendix B

- (a) The Group General Counsel & Company Secretary must review the Appendix B “Request to Provide Gifts and/or Hospitality to Government Employees or Foreign Government Officials” form and complete the review and approval section in writing considering the gift requirements in Section 5.
- (b) If the Gift or Hospitality complies with Section 5, then the Group General Counsel & Company Secretary can approve the form. If the Gift or Hospitality does not comply with the requirements, the Gift or Hospitality will be denied.

## 8.3 Submit expense for payment or reimbursement

In the case where an employee, director or Commercial Intermediary incurs expenses in connection with providing Gifts or Hospitality to a Government Employee of Foreign Government Official, the employee, director or Commercial Intermediary shall submit an expense report and attach original itemised receipts to the Group General Counsel & Company Secretary to **approve within fifteen business days (or such other timeframe that is agreed) following the provision of the Gift or Hospitality.**

An Appendix B - “Request to Provide Gifts and/or Hospitality to Government Employees or Foreign Government Officials” form must have been completed and approved for an expense to be reimbursed to the employee or to be a valid business expense. Neither payment nor reimbursement shall be provided without this form documenting that the Gift or Hospitality has been approved in accordance with these procedures.

## 8.4 Record expense in detail (Accounting Department)

All Gifts and Hospitality extended by Redflex employees or Commercial Intermediaries to Interested Persons shall be accurately reflected in the books, records and accounts of Redflex, and shall in all circumstances record the following in reasonable detail:

- (a) the date, names, titles and company, government or agency of the Interested Persons;
- (b) the names and titles of the Redflex employees involved;
- (c) a description of the Gift or Hospitality and the precise value of the Gift or Hospitality. If a precise value cannot be assigned, then a reasonable estimate of its value shall be provided; and
- (d) the business purpose of the Gift or Hospitality.

## 8.5 Legal Department filing

The Group General Counsel & Company Secretary will file the approved Appendix B - “Request to Provide Gifts and/or Hospitality to Government Employees or Foreign Government Officials” form and supporting documentation.

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## 9. Policy requirements for receiving Gifts and/ or Hospitality

### 9.1 General policy

Any Gifts or Hospitality valued **GREATER** than AUD\$100, or any special discounts received from any person or firm doing, or seeking to do business with Redflex requires approval from the Group General Counsel & Company Secretary.

### 9.2 No quid pro quo

It is the policy of Redflex to never solicit or coerce the offering of a Gift or Hospitality, or accept a Gift or Hospitality in return for being influenced or where a reasonable person might believe that the acceptance of the Gift or Hospitality has influenced the Redflex employee in the performance of his or her duties.

### 9.3 Frequency of Gift or Hospitality acceptance

The frequency of the receipt of Gifts and Hospitality must be carefully monitored, as the cumulative effect may give rise to the appearance of improper conduct. In the event that a Redflex employee or director receives Gifts or Hospitality from the same person or firm valued at AUD\$100 or less three times in a single twelve-month period, then any additional Gifts and Hospitality thereafter during the next twelve months shall be treated as valued at more than AUD\$100 for purposes of these procedures, and shall require the prior written approval of the Group General Counsel & Company Secretary.

### 9.4 Commercial Intermediaries

Commercial Intermediaries are strictly prohibited from accepting, directly or indirectly, any Gifts and Hospitality (even of nominal value), from any person or firm doing, or seeking to do business with Redflex.

### 9.5 Strictly Prohibited

*Receipt of the following types of Gifts or Hospitality is wrong and may result in severe disciplinary action, up to and including termination of employment. These Gifts and Hospitality are never permissible, and no employee, officer or director can approve them. All Redflex Employees and Directors are strictly prohibited from soliciting or accepting the following:*

- (a) any Gift of cash or cash equivalent (such as gifts cards, travelers' cheques, bearer instruments, notes and similar instruments), or loans of any kind in connection with Redflex business;
- (b) any Gift or entertainment that is a "quid pro quo" (offered for something in return) or where a reasonable person might believe that the acceptance of the Gift has influenced the employee or director in the performance of his or her duties;
- (c) any entertainment that is indecent, sexually oriented, or might otherwise adversely affect Redflex's reputation; and

- 
- (d) a Gift or entertainment an employee or director would be embarrassed to disclose or seek approval for.

**Note Regarding Redflex Employees Assigned to Procurement Functions:** Redflex employees performing procurement-related functions **MUST NOT accept any** Gifts or Hospitality from suppliers, subcontractors or vendors, except Logo Items of nominal value **EXCEPT with advance written approval from the Group General Counsel & Company Secretary.**

## 10. Process for receiving Gifts and/ or Hospitality

### 10.1 Complete Appendix C - "Request to Receive Gifts and/ or Hospitality" form

If you intend to receive a Gift or Hospitality, employees, directors, or Commercial Intermediaries must complete "Request to Receive Gifts and/or Hospitality" form (**Appendix C**). The Gifts or Hospitality must comply with the requirements for Gifts and Hospitality set out in Section 7.

**See Appendix C for "Request to Receive Gifts and/or Hospitality" form.**

### 10.2 Review and approve Appendix C

- (a) If the Gifts or Hospitality is valued at **LESS** than or equal to AUD\$100 and does NOT follow 3 such Gifts/Hospitality provided by the same person or firm in the prior 12 months, OR the recipient does NOT have procurement responsibilities, it may be approved by the Department Head.
- (b) If this Gift or Hospitality is **GREATER** than AUD\$100, follows 3 such Gifts/Hospitality provided by the same person or firm in the prior 12 months, OR the recipient **DOES** have procurement responsibilities, it must be approved by the Group General Counsel & Company Secretary. The Group General Counsel & Company Secretary must review the form, ensure that the Gift and/or Hospitality is reasonable and appropriate and does not conflict with any policy requirements. Requests to receive Gifts and Hospitality must be submitted to the Group General Counsel & Company Secretary **no less than ten business days (or such other timeframe that is agreed) prior** to the date on which the Gift or Hospitality is proposed to be received (or within such shorter time as accepted by the Group General Counsel & Company Secretary).

### 10.3 Legal Department filing

A copy of Appendix C - "Request to Receive Gifts and/or Hospitality" forms approved by the Department Head must be forwarded to the Group General Counsel & Company Secretary for filing purposes.

## 11. Authorisation and Change History

### 11.1 Authorisation

This document is authorised by:

---

Name:	Paul Clark
Title:	Group Chief Executive Officer Redflex Holdings Limited
Approval Date:	June 2015

**Change History Log**

Date	Ver. #	Change Description	Author

---

**REQUEST TO PROVIDE GIFTS AND/OR HOSPITALITY  
TO NON-GOVERNMENT INTERESTED PERSONS  
FORM**



**APPENDIX A**

**NOTE:** This request must be completed by employee, director, or Commercial Intermediary and approved by Department Head (only if **LESS** than or equal to AUD\$100 OR does not follow 3 such Gifts/Hospitality provided to the same Non-Government Interested Person) and submitted to the Group General Counsel & Company Secretary for filing.

If this Gift or Hospitality is **GREATER** than AUD\$100 OR follows 3 such Gifts/Hospitality provided to the same Non-Government Interested Person, then this request must be approved by the Group General Counsel & Company Secretary.

This form **MUST** be submitted to the Group General Counsel & Company Secretary a minimum of 10 business days (or such other timeframe that is agreed) prior to the Gift or Hospitality.

**DO NOT COMPLETE THIS FORM IF THE INTERESTED PERSON IS A GOVERNMENT EMPLOYEE OR FOREIGN GOVERNMENT OFFICIAL (SEE APPENDIX B).**

**Part I - To be completed by Employee or Director, or Commercial Intermediary**

1. What is the name or names of the Interested Person(s) to whom the Gift or Hospitality is to be given?

2. What is the title(s) of the Interested Person(s) to whom the Gift or Hospitality is to be given?

3. What is the authority level of the person and what level of influence over the Redflex relationship do they have?

4. What Company does the Interested Person(s) to whom the Gift or Hospitality is to be given work for?

5. The name(s) and title(s) of the Redflex employee(s) or Commercial Intermediary providing the Gifts or attending the Hospitality?

---

6. Describe the Gift or Hospitality.

7. What is the calculated value of the gift or hospitality?

8. What is the business purpose and justification for the Gift or Hospitality?

9. When will the gift be given or hospitality take place?

10. Does the Gift or Hospitality conform to local law or local custom and individual policy? (***A citation to and brief description of the specific law and individual policy governing the provision of gifts to this particular Interested Person is required***).  
**ASK RECIPIENTS ABOUT THEIR LAWS & POLICIES.**

11. Does this Gift or Hospitality follow 3 such Gifts/Hospitality provided to this particular Interested Person in the prior 12 months?

12. Does Redflex have any current or anticipated business with, or decisions coming before, the Interested Person or the Interested Person's organization or agency? If so, please describe.



- 
13. Does this Interested Person have the power to assist or hinder Redflex's business?  
If so, please describe.

14. Is there any additional (relevant) information relating to the proposed Gifts or Hospitality that has not been addressed in this form?

---

**Employee/ Director/ Commercial Intermediary Signature** **Date**  
**(Attesting that above is true)**

---

**Print Name**

---

## Part II - To be completed by Department Head OR Group General Counsel & Company Secretary

The provision of Gifts and Hospitality to a Non-Government Interested Person valued at AUD\$100 or less may be approved by the Department Head if it does not follow 3 such Gifts/Hospitality provided to the same Non-Government Interested Person. If this Gift or Hospitality is greater than AUD\$100 OR follows 3 such Gifts/Hospitality provided to the same Non-Government Interested Person, then this request must be approved by the Group General Counsel & Company Secretary. The following requirements must be met:

- **Business Purpose:** Hospitality offered on behalf of Redflex must be directly related to Redflex business. The costs associated with such Hospitality will be only those necessary and reasonable to educate the Interested Person about Redflex operations.
- **Strictly Prohibited:** Under no circumstances shall Redflex employees, directors or Commercial Intermediaries give to Non-Government Interested Persons: (1) Gifts or Hospitality in the form of legal currency and cash equivalents such as travelers' cheques, gift cards, bearer instruments, notes and similar instruments or equity or debt instruments of any kind issued by Redflex or any of its affiliates or subsidiaries, or any other business entity; (2) per diem payments, extensions of credit or the forgiveness of debt; (3) Gifts or Hospitality provided in secret; (4) Gifts or Hospitality that have the appearance of illegality; or (5) Gifts or Hospitality that violate the local laws or policies of the Interested Person's employer.
- **Permitted Under Law & Policy:** Under no circumstances may a Redflex employee, director or Commercial Intermediary offer, promise or give Gifts or Hospitality unless the laws and policies applicable to that Interested Person expressly permit the acceptance of such Gifts and Hospitality.
- **Spouses/Significant Others:** Under no circumstances shall the spouses, significant others or relatives of Interested Persons be given any Gift or invited to, or participate, in any Hospitality without the prior written approval of the Group General Counsel & Company Secretary, regardless of the value thereof.
- **Personal Funds:** No Redflex employees, directors or Commercial Intermediaries shall use personal funds, whether or not reimbursed by Redflex, to provide Gifts or Hospitality to Interested Persons in a manner inconsistent with the Anti-Bribery Policy & Procedures. In other words, Redflex employees, directors and Commercial Intermediaries shall comply with the provisions of these procedures even if personal funds are used.
- **Anticipated or Pending Business:** If the Interested Person has direct or indirect decision-making responsibility over an anticipated or pending decision that will affect Redflex's interest, no Gift or Hospitality may be provided to the Interested Person without the prior, written approval of the Group General Counsel & Company Secretary.

**Note regarding the value of Gifts and Hospitality:** In the case of Hospitality, the value of Hospitality under these procedures shall be the total actual cost of the event, in Australian Dollar, divided by the number of participants or attendees reasonably expected to attend or that will be invited to the event. In the case of Gifts, the value of the Gift under these procedures shall be the greater of: (i) the actual cost to Redflex of the Gift; (ii) the fair market value (if any) of the Gift; and (iii) the face value (if any) of the Gift. All caps and limits set forth in these procedures are in Australian dollars but also apply to the equivalent amount converted into a foreign currency (except for the U.S. where the caps and limits will be USD\$100).

1. Are the Gift and/or Hospitality requirements set out above and in the procedures met?

2. Is the Gift and/or Hospitality permissible under local laws, customs or policies governing the provision of Gifts and/or Hospitality to the Interested Person?

**NOTE: In the event that the value of the Gift or Hospitality exceeds the limits permitted by local laws or custom, or violates the Interested Person's organisation policy relating to Gifts and Hospitality, then the Gift or Hospitality shall not be provided to the Interested Person.**

- 
3. Has the Interested Person received Gifts or Hospitality valued at AUD\$100 or less three times in a single twelve-month period?

**NOTE: If so, then any additional Gifts and Hospitality thereafter during the next twelve months shall be treated as valued at more than AUD\$100 for purposes of these procedures, and shall require prior, written approval from the Group General Counsel & Company Secretary.**

**Request for Gifts or Hospitality provided to Non-Government Interested Persons *approved by Department Head (Attesting that above is true):***

---

**Signature**

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**Date**

---

**Print Name**

**Request for Gifts or Hospitality provided to Non-Government Interested Persons *approved by the Group General Counsel & Company Secretary (if gift is greater than AUD\$100 OR 4<sup>th</sup> time in a 12 month period):***

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**Signature**

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**Date**

---

**Print Name**

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**REQUEST TO PROVIDE GIFTS AND/OR HOSPITALITY  
TO GOVERNMENT EMPLOYEES OR FOREIGN  
GOVERNMENT OFFICIALS FORM**



**APPENDIX B**

**NOTE: To be Completed by Employee, Director, or Commercial Intermediary and Approved by the Group General Counsel & Company Secretary.**

**This form MUST be submitted to the Group General Counsel & Company Secretary a minimum of 10 business days (or such other timeframe that is agreed) prior to the Gift or Hospitality.**

**Part I - To be completed by Employee, Director, or Commercial Intermediary**

1. What is the name or names of the Government Employee or Foreign Government Official to whom the Gift or Hospitality is to be given?

2. What is the title(s) of the Government Employee or Foreign Government Official to whom the Gift or Hospitality is to be given?

3. What is the authority level of the Government Employee or Foreign Government Official and what level of influence do they have over our program?

4. What is the name of the city/ state affiliation and Government agency/ organization?

5. The name(s) and title(s) of the Redflex employee(s) providing the Gifts or attending the Hospitality?

---

6. Describe the Gift or Hospitality.

7. What is its calculated value?

8. What is the business purpose and justification for the Gift or Hospitality?

9. When will the Gift be given or Hospitality take place?

10. Does the Gift or Hospitality conform to local law or local custom and individual policy? ***(A citation to and brief description of the specific law and individual policy governing the provision of gifts to this particular Interested Person is required).***  
**ASK RECIPIENT ABOUT THEIR LAWS AND POLICIES.**

11. Does this Gift or Hospitality follow other Gifts/ Hospitality provided to this particular Government Employee or Foreign Government Official in the prior 12 months?

12. Does Redflex have any current or anticipated business with, or decisions coming before, the organization or agency of the Government Employee or Foreign Government Official? If so, please describe.

- 
13. Does this Government Employee or Foreign Government Official have the power to assist or hinder Redflex's business? If so, please describe.

14. Has the Government Employee or Foreign Government Official's supervisor approved the acceptance of the Gift and/or Hospitality? **ASK RECIPIENT IF GIFT/HOSPITALITY IS APPROVED.**

15. If the Hospitality requires travel, are there any stopovers *en route* (other than those less than a day for transportation connections)?

16. Is there any additional (relevant) information relating to the proposed Gifts or Hospitality that has not been addressed in this form?

---

**Employee/Director /Commercial Intermediary Signature** **Date**  
(Attesting that above is true)

---

**Print Name**

---

## Part II - To be completed by the Group General Counsel & Company Secretary

The provision of Gifts and Hospitality to Government Employees or Foreign Government Officials require review and approval by the Group General Counsel & Company Secretary, provided that all of the following are satisfied:

- **Business Purpose:** Hospitality offered on behalf of Redflex must be directly related to Redflex business. Hospitality must be reasonable and bona fide and must be offered only in connection with the promotion, demonstration or explanation of company products or services or the execution or performance of a contract with an Interested Person (or their agency/organization). The costs associated with such Hospitality will be only those necessary and reasonable to educate the Interested Person about Redflex operations.
- **Strictly Prohibited:** Under no circumstances shall Redflex employees, directors or Commercial Intermediaries give to Interested Persons: (1) Gifts or Hospitality in the form of legal currency and cash equivalents such as travelers' checks, gift cards, bearer instruments, notes and similar instruments or equity or debt instruments of any kind issued by Redflex or any of its affiliates or subsidiaries, or any other business entity; (2) per diem payments, extensions of credit or the forgiveness of debt; (3) Gifts or Hospitality provided in secret; (4) Gifts or Hospitality that have the appearance of illegality; or (5) Gifts or Hospitality that violate the local laws or policies of the Interested Person's employer/agency.
- **Spouses/Significant Others:** Under no circumstances shall the spouses, significant others or relatives of Interested Persons be given any Gift or invited to, or participate, in any Hospitality without the prior written approval of the Group General Counsel & Company Secretary, regardless of the value thereof.
- **Personal Funds:** No Redflex employees, directors or Commercial Intermediaries shall use personal funds, whether or not reimbursed by Redflex, to provide Gifts or Hospitality to Interested Persons in a manner inconsistent with the Anti-Bribery Policy & Procedures. In other words, Redflex employees, directors and Commercial Intermediaries shall comply with the provisions of these procedures even if personal funds are used.
- **Permitted Under Law and Policy:** Under no circumstances may a Redflex employee, director or Commercial Intermediary offer, promise or give Gifts or Hospitality to Government Employees or Foreign Government Officials unless the laws and regulations applicable to that Government Employee or Foreign Government Official expressly permit the acceptance of such Gifts and Hospitality.
- **Anticipated or Pending Business:** If the Interested Person has direct or indirect decision-making responsibility over an anticipated or pending decision that will affect Redflex's interests, no Gift or Hospitality may be provided to the Interested Person without the prior, written approval of the Group General Counsel & Company Secretary.
- **Travel and Lodging:** If the Gift or Hospitality involves travel, lodging or entertainment, it must comply with the travel and lodging requirements outlined in Section 6 of these Procedures.

**Note regarding the value of Gifts and Hospitality:** In the case of Hospitality, the value of Hospitality under these procedures shall be the total actual cost of the event, in Australian dollars, divided by the number of participants or attendees reasonably expected to attend or that will be invited to the event. In the case of Gifts, the value of the Gift under these procedures shall be the greater of: (i) the actual cost to Redflex of the Gift; (ii) the fair market value (if any) of the Gift; and (iii) the face value (if any) of the Gift. All caps and limits set forth in these procedures are in Australian dollars but also apply to the equivalent amount converted into a foreign currency (except in the U.S. where the caps and limits will be USD\$100).

1. Are the Gift and/or Hospitality requirements set out above and in the procedures met?

2. Is there a conflict with local laws and customs governing Gifts and Hospitality consulted or the Government Employee or Foreign Government Official's policy on Gifts and Hospitality?

**NOTE: In the event that the value of the Gift or Hospitality exceeds the limits permitted by local laws or custom, violates the laws applicable to the Government Employee or Foreign Government Official, or violates the Government Employee or Foreign Government Official's agency or organization policy, then the Gift or Hospitality shall not be extended.**

- 
3. Has the Government Employee or Foreign Government Official received Gifts or Hospitality more than once in a single twelve-month period?

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**Request Approved by**

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**Date**

**Group General Counsel & Company Secretary**

---

**Print Name**



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## REQUEST TO RECEIVE GIFTS AND/OR HOSPITALITY FORM



### APPENDIX C

**NOTE: Request must be completed by Employee, Director, or Commercial Intermediary.**

If the Gifts or Hospitality is valued at LESS than or equal to AUD\$100 and does NOT follow 3 such Gifts/Hospitality provided by the same person or firm in the prior 12 months, OR the recipient does NOT have procurement responsibilities, it may be approved by the Department Head. This form must be submitted to the Group General Counsel & Company Secretary for filing.

If this Gift or Hospitality is GREATER than AUD\$100 OR follows 3 such Gifts/Hospitality provided by the same person or firm in the prior 12 months, AND the recipient DOES have procurement responsibilities, it must be approved by the Group General Counsel & Company Secretary.

This form **MUST** be submitted to the Group General Counsel & Company Secretary a minimum of 10 business days (or such other timeframe that is agreed) prior to the Gift or Hospitality.

#### **Part I - To be completed by Employee, Director, or Commercial Intermediary**

1. What is the name or names of the person giving the Gift or Hospitality?

2. What is the title(s) of the person giving the Gift or Hospitality?

3. What is the authority level of the person and what level of influence over the Redflex relationship do they have?

4. What Company does the Person(s) giving the Gift or Hospitality work for?

5. The name(s) and title(s) of the Redflex employee(s) receiving the Gifts or attending the Hospitality?

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6. What is the Gift or Hospitality?

7. What is the calculated value?

8. What is the business purpose of the Gift or Hospitality?

9. When will the Gift be received or Hospitality take place?

10. Does this Gift or Hospitality follow 3 such Gifts/Hospitality provided by this particular person or firm in the prior 12 months?

11. Does the Gift or Hospitality conform to Redflex company policy?

---

**Employee/Director /Commercial Intermediary Signature**

**Date**

**(Attesting that above is true)**

---

**Print Name**

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**Part II - To be completed by Department Head OR the Group General Counsel & Company Secretary**

If the Gifts or Hospitality is valued at AUD\$100 or less, does NOT follow 3 such Gifts/Hospitality provided by the same person or firm in the prior 12 months, OR the recipient does NOT have procurement responsibilities, it may be approved by the Department Head and shall not require approval by the Group General Counsel & Company Secretary. Form should be forwarded to the Group General Counsel & Company Secretary for filing.

If the Gifts or Hospitality is valued at more than AUD\$100, follows 3 such Gifts/Hospitality provided by the same person or firm in the prior 12 months, OR the recipient DOES have procurement responsibilities, it must be approved by the Group General Counsel & Company Secretary.

The receipt of Gifts and Hospitality may be approved, provided that they do NOT meet any of the following unacceptable criteria:

- **No Cash or Cash Equivalents:** Under no circumstances shall Redflex employees or directors receive any Gift of cash or cash equivalent (such as gifts cards, travelers' cheques, bearer instruments, notes and similar instruments), or loans of any kind.
- **Procurement Function Restriction:** Under no circumstances shall Redflex employees performing procurement functions accept **any** Gifts or Hospitality from suppliers, subcontractors or vendors, except Logo items of nominal value (e.g., keychain, water bottle, glass, pen) **EXCEPT with advance written approval from the Group General Counsel & Company Secretary.**
- **No Solicitation or Coercion:** Under no circumstances shall Redflex employees solicit or coerce the offering of a gift, or accept a gift in return for being influenced or where a reasonable person might believe that the acceptance of the gift has influenced the employee in the performance of his or her duties.
- **No Quid Pro Quo:** Always unacceptable is any gift or entertainment that is a "quid pro quo" (offered for something in return) or where a reasonable person might believe that the acceptance of the gift has influenced the employee in the performance of his or her duties.
- **Indecent Gifts or Hospitality:** Always unacceptable is any entertainment that is indecent, sexually oriented or might otherwise adversely affect Redflex's reputation.
- **Gifts or Hospitality that Cause Embarrassment:** Always unacceptable is any gift or entertainment an employee would be embarrassed to disclose or seek approval for.
- **Frequency of Gifts or Hospitality:** Employees and directors shall not accept Gifts or Hospitality from the same person or firm so frequently that it gives rise to the appearance of improper conduct.

**Note regarding the value of Gifts and Hospitality:** In the case of Hospitality, the value of Hospitality under these procedures shall be the estimated total cost of the event, in Australian dollars, divided by the number of participants or attendees reasonably expected to attend or that will be invited to the event. In the case of Gifts, the value of the Gift under these procedures shall be the greater of: (i) the actual cost (ii) the fair market value (if any) of the Gift; and (iii) the face value (if any) of the Gift. All caps and limits set forth in these procedures are in Australian dollars but also apply to the equivalent amount converted into a foreign currency (except in the U.S. where the caps and limits are USD\$100).

1. Is the Gift and/or Hospitality acceptable under the Gift and Hospitality procedures?

2. Is there a conflict with Redflex's policy and procedures on Gifts and Hospitality?

3. Does this Gift or Hospitality follow 3 such Gifts/Hospitality provided by this particular person or firm in the prior 12 months?

---

**Request to receive Gifts or Hospitality approved by Department Head (Attesting that above is true):**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Print Name**

**Request to receive Gifts or Hospitality approved by the Group General Counsel & Company Secretary (if gift is greater than AUD\$100, 4<sup>th</sup> time in a 12 month period, or recipient has procurement responsibilities):**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Print Name**



**Redflex Anti-Bribery  
Compliance Procedures**

**Charitable, Political,  
Sponsorship Contributions  
and Trade Show Fee  
Procedures**

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# CHARITABLE, POLITICAL, SPONSORSHIP CONTRIBUTIONS AND TRADE SHOW FEE PROCEDURES

## 1. Purpose

### 1.1 Purpose of this document

The purpose of this document is to define the procedures for making Charitable, Political, Sponsorship Contributions as well as attending Trade Shows.

**Political Contributions:** No Redflex employee or director may make a Political donation, for or on behalf of Redflex, to a political party or candidate for political office, without the prior, written approval of the Group General Counsel & Company Secretary.

**Charitable / Sponsorship Contributions:** No Redflex employee or director may make a Charitable or Sponsorship contribution, for or on behalf of Redflex, to organisations or associations for the personal, financial, or political benefit of a Government Employee or Foreign Government Official or his/her family.

**Commercial Intermediaries:** Commercial Intermediaries are expressly prohibited from offering or providing Charitable contributions or Political donations, by or on behalf of Redflex. No Redflex employee or director may approve a Commercial Intermediaries request to make a Charitable, Political, or Sponsorship contribution.

**Trade Shows:** No Redflex employee or director may sign up for a Trade Show without the prior written approval of the Group General Counsel & Company Secretary.

## 2. Scope

This procedure relates to political, charitable, and sponsorship contributions by or on behalf of Redflex as well as trade show fees.

### 2.1 Terminology

A “**Government Employee**” is any applicable federal, state, or local government employee, including consultants acting on behalf of the entity.

A “**Foreign Government Official**” is:

- (a) any officer or employee of a foreign government or member of its armed forces or any department, agency, or instrumentality thereof;
- (b) any person acting in an official capacity for or on behalf of any such government or department, agency or instrumentality;
- (c) any official of a public international organization (e.g., International Monetary Fund, The World Bank, the Red Cross);
- (d) any foreign political party or official thereof or any candidate for foreign political office; or

- 
- (e) a nominee of any person described above.

**“Commercial Intermediaries”** include distributors, consultants, lobbyists, sales agents, joint venture partners, construction subcontractors and other third party intermediaries that provide services to or on behalf of Redflex.

**“Charitable Contributions”** include donations to charitable organizations for goodwill purposes.

**“Sponsorship Contributions”** include donations to trade associations for being a sponsor at a trade show/conference (i.e. a certain level of sponsorship buys better booth space at a conference/trade show and advertising) or for sponsoring various events at a trade show/conference (i.e. golf tournaments, break-out sessions at an association conference, etc.).

**“Trade Show”** means and includes industry or commercial trade shows, exhibitions conventions or other events whereby Redflex’s products or products of a competitor are on commercial display.

**“Trade Show Fees”** include the costs to participate in an industry Trade Show, including booth fees.

## 2.2 Duty to Report

All Redflex employees and directors are required to report any violations or potential violations of this procedure or the Applicable Anti-Bribery Laws to:

- (a) Redflex’s confidential, anonymous ETHICS HOTLINE on the Intranet; or
- (b) Redflex Group General Counsel & Company Secretary:  
[compliance@redflex.com.au](mailto:compliance@redflex.com.au):

## 3. Process flow for making Charitable, Political, or Sponsorship Contributions or Attending Trade Shows

### 3.1 Complete “Request to make a Charitable, Political, or Sponsorship Contribution or Attend a Trade Show” Form

**Required Form:** Redflex employees and directors must complete and sign the “Request to Make a Charitable, Political, or Sponsorship Contribution or Attend a Trade Show” form. The form will ask for the following:

- (a) The purpose of the contribution;
- (b) The business justification for the contribution;
- (c) The identity of the recipient of the contribution, the intended beneficiary, and the entity’s Board and Committee members (and if a trade show association, the cities they work for);
- (d) A statement of whether the contribution was requested or suggested by a Government Employee, Foreign Government Official, candidate for political office or political party;



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- (e) A statement of whether the business unit is engaged in or intends to engage in business with the recipient, intended beneficiary, or members on the entity's or association's Board or Committees (for trade show sponsorships), either directly or indirectly and whether the recipient, intended beneficiary, or members on the entity's or association's Board or Committees, has the authority or ability to award business to Redflex, retain business for Redflex or to otherwise influence a regulatory approval process (e.g., licenses, taxes, customs duties);
  - (f) A statement verifying that the timing of the contribution will not coincide with any pending or forthcoming contract or award that the recipient, intended beneficiary, or members on the entity's or association's Board or Committees (for trade show sponsorships), may directly or indirectly influence;
  - (g) A statement and supporting documentation indicating that the contribution is legal under local laws;
  - (h) A statement indicating whether the contribution will be recorded publicly;
  - (i) A statement indicating whether this particular recipient has received contributions from Redflex (or a Redflex employee or director) in the past; and
  - (j) The value of the donation and whether it is financial or in the nature of goods and services.

**No Cash Contributions:** Under no circumstances shall a Redflex employee or director provide a Political, Charitable, or Sponsorship contribution as well as Trade Show Fee in cash.

**No Foreign Political Contributions:** Under no circumstances shall a Redflex employee or director make a political contribution to political parties or candidates in foreign countries even if the contribution is legal under the laws of the foreign country.

**Required Documentation:** All political, charitable, or sponsorship contributions, including Trade Show Fees, must be supported by a legitimate, detailed and contemporaneous receipt from the recipient that fully and accurately describes the contribution. If the recipient refuses to provide a receipt containing this information, a contribution may not be provided.

**Fair and Accurate Recording:** All political, charitable, and sponsorship contributions and Trade Show Fees must be recorded fairly and accurately (and with sufficient detail) in the Redflex books and records.

### 3.2 Submit request form

Any employee or director seeking to provide a Political, Charitable, or Sponsorship contribution or attend a Trade Show must complete the "Request to Make a Charitable, Political, or Sponsorship Contribution or Attend a Trade Show" form and submit it to the Group General Counsel & Company Secretary for review and written approval. No Political, Charitable, or Sponsorship contribution may be provided or

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attendance at a Trade Show may not be confirmed without the advanced written approval of the Group General Counsel & Company Secretary. If there is a deadline for giving the contribution, the form MUST be submitted to the Group General Counsel & Company Secretary a minimum of 10 business days prior to the deadline (unless otherwise advised).

If the contribution or Trade Show attendance complies with the requirements, then the contribution or Trade Show attendance can be approved.

The Group General Counsel & Company Secretary has discretion over the scope of the information that is ultimately collected.

See Appendix A for "Request to Make a Charitable, Political, or Sponsorship Contribution or Attend a Trade Show" form.

### **3.3 Review and approve request form**

- (a) The Group General Counsel & Company Secretary will review the "Request to Make a Charitable, Political, or Sponsorship Contribution or Attend a Trade Show" form and determine whether the request is valid. If the request complies with the requirements, then it may be approved. Otherwise the request will be rejected. If valid, the Group General Counsel & Company Secretary will approve in writing in advance of the payment being made.
- (b) See Appendix A for "Request to Make a Charitable, Political, or Sponsorship Contribution or Attend a Trade Show" form.

### **3.4 Submit expense for payment**

All contributions can only be made via company cheque request using Redflex funds. The contribution shall be fully documented and attached to a Payment Request or Invoice in a timely manner. The Payment Request or Invoice shall be approved by the Department Head.

Once approved, the payment request and copy of the approved "Request to Make a Charitable, Political, or Sponsorship Contribution or Attend a Trade Show" form should be forwarded to the Finance Department in a timely manner. Payment shall not be provided without this form documenting that the contribution has been approved by the Group General Counsel & Company Secretary in accordance with these procedures.

NOTE: Contribution or Trade Show Fees CANNOT be submitted for reimbursement on expense reports. The only way a contribution or Trade Show expense can be made (if approved) is via corporate cheque request.

### **3.5 Record expense in detail (Accounting Department)**

All Charitable, Political, or Sponsorship contributions as well as Trade Show Fees extended by Redflex employees and directors shall be accurately reflected in the books, records and accounts of Redflex, and shall in all circumstances record the following in reasonable detail:

- (a) The names, titles and company of the recipient;
- (b) The names and titles of the Redflex employees or directors involved;
- (c) A description of the contribution or Trade Show and its precise value. If a precise value cannot be assigned, then a reasonable estimate of its value shall be provided;
- (d) The business purpose of the contribution or trade show fee.

### 3.6 File forms in Legal Department

All "Request to Make a Charitable, Political, or Sponsorship Contribution or Attend a Trade Show" forms will be filed with the Group General Counsel & Company Secretary for maintenance and tracking.

## 4. Authorization and change history

### 4.1 Authorization

This document is authorised by:

Name:	Paul Clark
Title:	Group Chief Executive Officer Redflex Holdings Limited
Approval Date:	May 2015

### Change History Log

Date	Ver. #	Change Description	Author

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**REQUEST TO MAKE A CHARITABLE, POLITICAL,  
OR SPONSORSHIP CONTRIBUTION OR ATTEND  
A TRADE SHOW FORM**



**APPENDIX A**

**NOTE: To be Completed by Employee or Director and Approved by Group General Counsel & Company Secretary. If there is a deadline for the contribution or trade show fee, form MUST be submitted to the Group General Counsel & Company Secretary a minimum of 10 business days prior to deadline.**

**Part I - To be completed by Employee or Director**

1. What is the purpose of the contribution or trade show?

2. What is the business justification for the contribution or trade show?

3. Who is the recipient of the contribution or trade show fee and the intended beneficiary?

4. Was the contribution requested or suggested by a Government Employee, Foreign Government Official, candidate for political office, or political party?

- 
5. For a Charitable Contribution, provide a list of individuals on the Board or other Committee of the Charitable Organisation and identify if any Board or Committee member works for a city government

6. For a Sponsorship Contribution to an association or trade show, provide a list of individuals on the Board/Committees of the Association and which city each individual works for. Was this contribution requested by an individual on the Association's Board/Committees?

7. Did you or your Business Unit engage in or intend to engage in business with the recipient or intended beneficiary, either directly or indirectly? Do you intend to engage in business with or renew business with a city whose employee is a member of the charitable organization or trade association's Board or committees?

8. Does the recipient have the authority or ability to award business to Redflex, retain business for Redflex, or to otherwise influence a regulatory approval process? For Sponsorships and Charitable Organizations, consider members on the Board or Committees?

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9. For Sponsorships and Charitable Contributions, are we in the midst of a procurement/renewal period or is there an RFP outstanding where we are competing to win business with a city on the Association or Charitable Organisation's Board or Committees?

10. What is the value of the contribution or trade show fee?

11. Is it financial or in the nature of goods and services?

12. Are there any pending or forthcoming contracts or awards that the intended beneficiary or recipient may directly or indirectly influence? Consider all members on the Board and Committees?

13. Is the contribution or trade show fee legal under local laws (supporting documentation and citation to the relevant law is required)?

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14. Will the contribution or trade show fee be recorded publicly?

15. Has this particular recipient received contributions from Redflex (or a Redflex employee or director) in the past?

16. Is the recipient willing and able to provide you with a legitimate, detailed and contemporaneous receipt that fully and accurately describes the contribution?

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**Employee/Director Signature**  
**(Attesting that above is true)**

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**Date**

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**Print Name**

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## Part II - To be completed by the Group General Counsel & Company Secretary

The following due diligence shall be conducted, it being recognized that the Group General Counsel & Company Secretary has discretion over the scope of the information that is ultimately collected:

- **No Cash Donation:** Under no circumstances shall Redflex approve Political, Charitable, or Sponsorship contributions or trade show fees be made in cash.
- **Contemporaneous Receipts Required:** All political, charitable, sponsorship contributions and trade show fees must be supported by a legitimate, detailed and contemporaneous receipt from the recipient that fully and accurately describes the contribution. If the recipient refuses to provide a receipt containing this information, a contribution may not be provided.
- **Beneficiary Screening:** Screening to ensure that any recipient or intended beneficiary:
  - (i) Is a legitimate organization that holds a government charity license, registration, or other evidence of its charitable status;
  - (ii) Does not support terrorism and is not listed on any international watch lists; and
  - (iii) That there is a proper purpose for the donation.
- **Frequency of Contribution:** A review to verify whether any Redflex employee or director has provided repeat contributions to a particular recipient. If contributions have been made in the past, the request to make a contribution must address the pattern of donations to the particular recipient.
- **Government Connection:** A review to verify that no recipient or intended beneficiary has any connection to a government contract decision-maker or any other Government Employee or Foreign Government Official (or their agent or spouse) capable of providing Redflex with any unfair competitive advantage or influence a regulatory approval; the charity was not suggested or referred by a government contract decision-maker or other Government Employee or Foreign Government Official; for sponsorships, members on an association's Board or Committees are not influential government officials that we currently do business with or intend to do business with.
- **Solicitation or Procurement Cycle:** A review to verify that the contribution was not suggested or requested by a government official Redflex is doing business with or intends to do business with. A review to verify that there is not an outstanding RFP or contract renewal cycle related to any government officials associated with the Charitable Organisation or Trade Association.
- **Legal Opinion Required:** When necessary, a legal opinion shall be provided by a local lawyer confirming that the donation is lawful under the laws and regulations of the country, state or local Government in which the donation is intended to be made and that the recipient or intended beneficiary is a bona fide organisation.
- **Foreign Contributions Strictly Prohibited:** Under no circumstances shall a Redflex employee or director make a political contribution to political parties or candidates in foreign countries even if the contribution is legal under the laws of the foreign country.



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- **Books and Records:** A detailed and accurate description of the donation shall be recorded in the Redflex books and records.
  - **Legal Confirmation:** A legal analysis analysing the facts and circumstances and confirming the propriety of a particular contribution.
  - **Commercial Intermediaries:** Commercial Intermediaries are expressly prohibited from offering or providing Charitable contributions or Political donations, by or on behalf of Redflex. No Redflex employee or director may approve a Commercial Intermediary's request to make a Charitable or Political contribution.

Results and Conclusions:

**Request Approved by**

\_\_\_\_\_

**Signature**

\_\_\_\_\_

**Date**

\_\_\_\_\_

**Print Name**



# **Redflex Anti-Bribery Compliance Procedures Financial and Accounting Policies and Procedures**

REFLEX HOLDINGS LIMITED  
ABN 96 069 306 216  
PO Box 720, South Melbourne, Victoria, 3205  
31 Market Street, South Melbourne, Victoria, 3205  
[www.redflex.com](http://www.redflex.com)

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# FINANCIAL AND ACCOUNTING POLICIES AND PROCEDURES

## 1. Purpose

Redflex shall establish and maintain a system of internal controls that ensures that all transactions and dispositions of assets occur only with appropriate authorisations within set authorisation limits as verified by the Finance Department, and that all such transactions are recorded fairly and accurately and in reasonable detail in Redflex's accounts, books and records. This requirement applies to all original documents (including invoices, receipts, and expense reports), regardless of the dollar amount involved in a particular transaction.

The recordkeeping requirements apply to all aspects of Redflex's business activities. The mischaracterisation or omission of any transaction in Redflex's books and records, or the failure to maintain proper internal controls may result in significant liability for Redflex and the Redflex employees or directors that have caused the inaccurate books and records. Accordingly, no false or misleading entries may be made in Redflex's books or records. Employees and directors are prohibited from engaging in any arrangements that would result in such entries. No undisclosed or unrecorded funds or assets may be established.

All Redflex directors and employees with financial and accounting duties have an obligation to be alert to a possible violation of the following financial and accounting requirements and will report suspected violations to the Group General Counsel & Company Secretary. Failure to do so may result in severe disciplinary action.

### 1.1 Duty to report

All Redflex employees and directors are required to report any violations or potential violations of this procedure or the Applicable Anti-Bribery Laws to:

- (a) Redflex's confidential, anonymous ETHICS HOTLINE on the Intranet; or
- (b) Redflex Group General Counsel & Company Secretary:  
[compliance@redflex.com.au](mailto:compliance@redflex.com.au)

## 2. Process flow for financial and accounting procedures

### 2.1 Internal controls

The Redflex employees and directors with financial and accounting duties shall maintain a system of internal financial and accounting controls sufficient to provide Redflex reasonable assurance that:

- (a) all transactions are authorised in accordance with Redflex management's specific authorisation;
- (b) all transactions are recorded in a manner that allows the proper preparation of financial statements in conformity with applicable accounting standards (AASB), International Financial Reporting Standards ("IFRS") or generally accepted accounting principles ("GAAP"), as applicable and maintains accountability for assets;

- 
- (c) access to assets is limited and permitted only with the appropriate authorisation; and
  - (d) existing assets are compared with recorded balances, and appropriate action is taken with respect to any differences.

## 2.2 Redflex Policy

Redflex employees and directors must also strictly adhere to the following guidelines:

- (a) **Fair and Accurate Recording:** All cash, bank accounts, investments and other assets of Redflex must always be recorded fairly and accurately in Redflex's official books and records and in accordance with the applicable accounting standards (AASB), IFRS or GAAP, as applicable.
- (b) **Verification:** Prior to paying or authorising a payment, responsible employees shall verify that no part of such payment is to be made for any purpose other than that which is fully and accurately described in Redflex's books and records.
- (c) **Opening Bank Accounts:** Bank accounts shall be opened or closed only upon the prior written approval of the Group Chief Financial Officer. Undisclosed, unreported or anonymous (e.g., "numbered") accounts are not permitted.
- (d) **Account Verification:** Payments shall not be made to anonymous bank accounts or other accounts not in the name of the payee or of an entity known to be controlled by the payee.
- (e) **Cash prohibited:** Payments will not be made in cash. Cheques will not be drawn to the order of "cash," "bearer," or similar designations.
- (f) **No False or Misleading Entries:** False or misleading entries in Redflex books and records are strictly prohibited, such as:
  - (i) false invoices, over-invoices or other misleading documentation;
  - (ii) false entities, sales, purchases, services, loans or financial arrangements;
  - (iii) failing to record transactions (off-book accounts/slush funds);
  - (iv) submitting false or inaccurate expense reports;
  - (v) creating records that mischaracterize the true nature of a transaction or recipient of payment;
  - (vi) vague or non-specific descriptions for payments made in entries;
  - (vii) payment descriptions that do not correspond to the appropriate account;
  - (viii) Gift or Hospitality expense forms with incomplete information.

- (g) **Personal Funds:** An employee or director's personal funds shall not be used to accomplish what is otherwise prohibited by this Policy.
- (h) **Cheque Requests:** Cheque requests will be in writing and contain a complete explanation of the purpose and authority for the payment. The explanation will accompany all documents submitted in the course of the issuing process. The explanation must be kept on file at the paying location.
- (i) **Commercial Intermediary Reimbursement:** No expenses relating to Government business will be reimbursed to Commercial Intermediaries assisting Redflex in obtaining or retaining such business unless such expenses:
- (i) comply with Redflex anti-bribery policies and procedures;
  - (ii) are supported by reasonable written documentation including, but not limited to, itemised receipts; and
  - (iii) have received the prior, written approval of the Group Chief Executive Officer, Group General Counsel & Company Secretary or the Group Chief Financial Officer. No payment to any Commercial Intermediary will be made outside of the country in which the Commercial Intermediary is incorporated, resides or provides services.
- (j) **Duty to Report:** Any officer, director or employee who suspects the possibility that a bribe, kickback or over-invoice is associated with a particular receipt or that an understanding exists that all or a portion of a receipt will be paid in contravention of the laws of any jurisdiction, will immediately report that suspicion to:
- (i) Redflex's confidential, anonymous ETHICS HOTLINE on the Intranet; or
  - (ii) Redflex Group General Counsel & Company Secretary: [compliance@redflex.com.au](mailto:compliance@redflex.com.au)

### 3. Authorization and change history

#### 3.1 Authorization

This document is authorized by:

Name:	Paul Clark
Title:	Group Chief Executive Officer Redflex Holdings Limited
Approval Date:	May 2015

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### Change History Log

Date	Ver. #	Change Description	Author
05/05/2015	1	Original	Redflex