

# SECURITIES TRADING POLICY REGISTRY DIRECT LIMITED ("Company")

Version: 1  
Board Endorsement: 9 August 2017  
Last Review Date: 30 June 2019  
Next Review Date: 30 June 2020

## 1 Scope

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This policy sets out the Company's policy on dealing by Directors and employees in:

- (a) Securities of the Company (the "**Company Securities**"); and
- (b) Securities of other entities.

If you do not understand any part of this policy, the summary of the law, or how it applies to you, you should raise the matter with the Company Secretary before dealing with any Securities covered by this policy.

## 2 Purpose

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Under Australian legislation, the insider trading laws operate to prohibit people in possession of non-public price sensitive information from dealing in Securities or passing on the information to other people who may deal in Securities.

Given the restrictions imposed by law, this policy is relevant to all Directors and employees of the Company and their associates. This policy also imposes additional restrictions (described below) on:

- (a) all Directors and officers of the Company including the CEO;
- (b) all senior executives of the Company ("Senior Executives");
- (c) their associates (as defined in the Corporations Act) including any trusts and entities controlled by them; and
- (d) other persons identified by the Company from time to time,  
("Restricted Persons").

## 3 Meaning of Securities

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For the purposes of this policy "Securities" means shares, debentures, options to subscribe for new shares and options over existing shares, warrant contracts and other derivatives relating to the shares.

## 4 Insider Trading Laws

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### 4.1 Prohibition

If you have any inside information about the Company (or another relevant entity, such as a company with which the Company is considering a transaction) which is not publicly known, it is a criminal offence for you to:

- (a) trade in the Company Securities (or Securities of the other relevant entity);
- (b) advise or procure another person to trade in the Company Securities (or Securities of the other relevant entity); or
- (c) pass on (directly or indirectly) inside information to someone else (including colleagues, family or friends) knowing (or where you should have reasonably known) that the other person will, or is likely to, use that information to trade in, or procure someone else to trade in, the Company Securities (or Securities of the other relevant entity).

#### **4.2 Consequences of insider trading**

This offence, called "insider trading", can subject you to:

- (a) criminal liability including large fines and/or imprisonment;
- (b) a civil penalty; and
- (c) civil liability, which may include being sued for any loss suffered as a result of illegal trading.

#### **4.3 Inside information**

"Inside information" is information that:

- (a) is not generally available; and
- (b) if it were generally available, a reasonable person would expect it to have a material effect on the price or value of Company Securities or on a decision to buy or sell Company Securities.

The financial impact of the information is important, but strategic and other implications can be equally important in determining whether information is inside information. The definition of information is broad enough to include rumours, matters of supposition, intentions of a person (including the Company) and information which is insufficiently definite to warrant disclosure to the public.

Importantly, you need not be an "insider" to come across inside information. That is, it does not matter how you come to know the inside information (for example, you could learn it in the course of carrying out your responsibilities or in passing in the corridor or in a lift or at a dinner party).

#### **4.4 Insider trading is prohibited at all times**

If you possess inside information, you must not buy or sell the Company Securities, advise or get others to do so or pass on the inside information to others. This prohibition applies regardless of how you learn the information.

The prohibition on insider trading applies not only to information concerning the Company Securities. If a person has inside information in relation to Securities of another company, that person must not deal in those Securities.

The insider trading prohibitions apply even when a trade falls within an exclusion to the restrictions on trading set out in this policy if it is undertaken by, or procured by, someone in possession of inside information at the time of the trade.

## **5 Confidential Information**

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Related to the above, Directors and employees also have a duty of confidentiality to the Company. You must not reveal any confidential information concerning the Company, use that information in any way which may injure or cause loss to the Company, or use that confidential information to gain an advantage for yourself.

## 6 Trading restrictions imposed by this policy

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### 6.1 Additional restrictions

Additional restrictions (described below) on trading the Company Securities apply to Restricted Persons (as defined above). The additional restrictions in this policy do not prohibit Restricted Persons from acquiring Securities under a Company dividend reinvestment plan or an employee share plan, if either plan exists (however, the additional restrictions will apply to any subsequent trading of the Company Securities acquired under those plans).

It is important to note that although the additional restrictions do not apply to a Restricted Person's participation in a dividend reinvestment plan or an employee equity plan, a Restricted Person must not make an election to participate or cease participation in a dividend reinvestment plan or employee share plan if they are in possession of "inside information."

### 6.2 Reasons for additional restrictions

Restricted Persons are in positions where it may be assumed that they may come into possession of inside information and, as a result, any trading by Restricted Persons may embarrass or reflect badly on them or on the Company (even if a Restricted Person has no actual inside information at the time). This policy is designed to avoid the possibility that misconceptions, misunderstandings or suspicions might arise due to trading by Restricted Persons in Securities.

### 6.3 Blackout periods

Restricted Persons must not deal in Company Securities during any of the following blackout periods:

- (a) the period each year from the close of trading at the end of the full financial year until 10.00am (Melbourne time) on the next trading day following the announcement to the ASX of the preliminary final statement or full year results;
- (b) the period each year from the close of trading at the end of the financial half year until 10.00am (Melbourne time) on the next trading day following the announcement of half-yearly results; and
- (c) any other period that the Company specifies from time to time.

### 6.4 No speculative short term trading

Restricted Persons should not trade in Company Securities on a short term basis or for speculative trading gain.

Restricted Persons must not engage in short selling of Company Securities.

### 6.5 Exceptional circumstances

If a Restricted Person needs to deal in Company Securities due to exceptional circumstances but such dealing would breach this policy, the Restricted Person must apply to the person specified in rule 7 for a waiver from compliance with the provisions in rules 6.3 or 6.4.

Exceptional circumstances include severe financial hardship, compulsion by a court order or any other circumstances that are deemed exceptional by the person described in rule 7.

The Restricted Person seeking a waiver under this rule must apply in writing to the person specified in rule 7 setting out the circumstances of the proposed dealing (including an explanation as to the severe financial hardship or circumstances that are otherwise exceptional) and the reason the waiver is requested. A waiver will only be granted if the Restricted Person's application is accompanied by sufficient evidence (in the opinion of the person specified in rule 7) that the dealing of the relevant Securities is the most reasonable course of action available in the circumstances.

If a waiver is granted, the Restricted Person will be notified in writing (which may include notification via email) and in each circumstance the duration of the waiver to deal in Securities will be 5 trading days.

Unless otherwise specified in the notice, any dealing permitted under this rule must comply with the other sections of this policy (to the extent applicable). The insider trading prohibitions apply even when a trade falls within this rule 6.5 if it is undertaken by, or procured by, someone in possession of inside information at the time of the trade.

## **6.6 Permitted dealings**

Where rules 4.1, 6.3 or 6.4 do not apply, Restricted Persons are permitted to trade the Company Securities subject to the notification and approval requirements set out below.

Outside the blackout periods specified in rule 6.3, Restricted Persons must notify the Company in advance of any proposed dealing in Company Securities. The notification must be made to the person in rule 7 and confirm that they do not hold any inside information. The proposed dealing must not be entered into until written clearance has been given by the person nominated in rule 7.

Any approval to trade can be given, withdrawn or refused by the Company in its discretion without giving any reasons. A decision to refuse approval is final and binding on the person seeking the approval. If approval to trade Company Securities is refused, the person seeking the approval must keep that information confidential and not disclose it to anyone. Any approval to trade under this policy is not an endorsement from the Company and the person doing the trade is individually responsible for their investment decisions and their compliance with insider trading laws.

If granted, trading consent is only valid for a period of 5 trading days after notification of approval. Trading consent is automatically deemed to be withdrawn if the person becomes aware of inside information prior to trading.

The insider trading prohibitions apply even when a trade is permitted under this rule if it is undertaken by, or procured by, someone in possession of inside information at the time of the trade.

## **6.7 Requirements after trading**

Once a Restricted Person has completed a trade in the Company Securities, the relevant person described in rule 7, must be:

- (a) advised that the trade has been completed; and
- (b) in the case of Directors, provided with sufficient information to enable the Company to comply with its ASX reporting obligations (including date, price, volume and whether the change occurred during a blackout period and if so, whether written clearance was provided). This information must be provided to ASX as soon as reasonably practicable and in any event no later than five business days after the date of the change.

## **6.8 Exclusions from policy**

The additional restrictions in this policy do not affect:

- (a) A Restricted Person's participation in any Company employee share or option plans or the exercise of options/rights under those plans. However the additional restrictions in this policy may apply to any subsequent trade of any the Company Securities issued to (or for the benefit of) a Restricted Person on the exercise of any options granted under an employee share or option plan.
- (b) A disposal of Company Securities effected by a change in the trustee of a trust.

- (c) An investment in, or trading in any units of, a fund or any managed investment scheme (other than a scheme investing only in Company Securities) where the Restricted Person is not in the position to influence the trading activities of that fund or scheme.
- (d) An acquisition of securities under a pro-rata issue or other invitation made by the Company to all or most of its shareholders.
- (e) A disposal of rights under a pro-rata issue or other invitation made by the Company to all or most of its shareholders.
- (f) Transfers of Company Securities already held by a Restricted Person into a superannuation fund or other pension or saving scheme in which the Restricted Person is a beneficiary, another company over which the Restricted Person has significant control or significant influence, .
- (g) A disposal of Company Securities arising from the acceptance of a takeover offer, scheme of arrangement or equal access buy-back.

The insider trading prohibitions apply even when a trade is permitted under this rule if it is undertaken by, or procured by, someone in possession of inside information at the time of the trade.

### **6.9 No hedging**

A Restricted Person must not, without prior written approval by the relevant person specified in rule 7, engage in hedging arrangements, deal in derivatives or enter into other arrangements which vary economic risk related to Company Securities including, for example, dealing in warrants, equity swaps, put and call options, contracts for difference and other contracts intended to secure a profit or avoid a loss based on fluctuations in the price of the Company's Securities. This provision includes engaging in hedging or other arrangements that would have the effect of limiting the economic risk in connection with Company Securities including Securities which are unvested, subject to a holding lock or issued pursuant to an equity based remuneration scheme.

### **6.10 No margin lending**

A Restricted Person must not, without prior written approval by the relevant person specified in rule 7, enter into margin loans or other secured lending arrangements. This provision includes entering into a margin or secured lending arrangement in respect of Company Securities, transferring Company Securities into an existing margin loan account and selling Company Securities to satisfy a call made pursuant to a margin loan, except where the Restricted Person has no control over such sale.

## **7 Consents and Notifications**

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Where this policy requires a notification to occur, or consent, or waiver to be obtained (unless the context requires otherwise) the table below sets out whom each Restricted Person must notify or seek approval from.

| <b>Restricted Person</b>  | <b>Person to notify and obtain consent</b> |
|---|--|
| Chair of the Board  | The Board                                  |
| Other Directors (including CEO)   | Chair of the Board                         |
| Senior Executives and other persons identified by the Company from time to time | CEO  |

## 8 Breaches of this policy

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Strict compliance with this policy is a condition of employment or engagement by the Company. Breaches of this policy will be regarded as serious misconduct and may lead to disciplinary action, which may include termination of employment or engagement by the Company.

## 9 Further Information

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For more information about this policy, contact the Company Secretary.