

# AUSTOCK PROPERTY

## POLICY IN RELATION TO DEALING IN SECURITIES

### INTRODUCTION

The purpose of this policy is to:

- (a) explain the type of conduct that is prohibited under the *Corporations Act 2001 (as amended)*; and
- (b) establish a best practice procedure relating to dealings in Securities that provides protection to both the Company and employees against the misuse of unpublished information which could materially affect the value of securities

### SUMMARY OF THE LAW

The *Corporations Act 2001 (as amended)* prohibits a person who is in possession of price sensitive information that is not generally available from:

- (a) dealing in securities;
- (b) procuring another person to deal in the securities; or
- (c) communicating the information to another person if that person is likely to deal in the securities.

Penalties for breach of this prohibition are severe and include:

- (a) in the case of a natural person, a penalty of up to \$200,000 or imprisonment for 5 years or both;
- (b) in the case of a body corporate, a penalty of up to \$1,000,000; and
- (c) for both a natural person and a body corporate, unlimited civil liability.

### POLICY

#### 1. Definitions

1.1. In this Policy the following definitions apply unless the context otherwise requires:

**“Chairman”** means the Chairman of the Company.

**“Company”** means Austock RE Limited, Austock Property Funds Management Limited, Austock Property Management Limited and any other company within the Austock Property group of companies.

**“Company Secretary”** means the person who is from time to time appointed by the Board as Company Secretary of the Company or such other person nominated by the Board to act in their absence for the purposes of this Policy.

**“Connected Fund”** means any managed investment scheme managed by the Company, whether or not listed on an authorised exchange and includes, but is not limited to, the Australian Education Trust.

**“Dealing”** includes any subscription, redemption, purchase or sale of securities, or any agreement to effect the same; an exercise of an option or other right; or entering into any other form of agreement to acquire or dispose of an interest in securities.

**“Director”** means a director of the Company.

**“Managing Director”** means the person who is from time to time appointed by the Board as Managing Director or equivalent or such other person nominated by the Board to act in their absence for the purposes of this Policy.

**“Policy”** means this document.

**“Relevant Employee”** means any employee of the Company or a director or employee of a related body corporate who is, or because of his office or employment with the Company or a related body corporate, is likely to be in possession of unpublished price sensitive information in relation to a Connected Fund.

**“Responsible Officer”** means a responsible officer of the Company.

**“Securities”** means any listed or unlisted shares, debentures, interests, rights, units or option contracts in a Connected Fund.

**“unpublished price sensitive information”** means information which:

- (a) relates to particular securities or to a particular issuer of securities and not to securities generally or issuers of securities generally;
- (b) is specific or precise;
- (c) has not been made public; and
- (d) if it were made public would be likely to have a significant effect on the price or value of any securities.

## **2. Dealings by Directors, Responsible Officers and Relevant Employees**

2.1. A Director, Responsible Officer or Relevant Employee must not deal in Securities at any time when they are in possession of unpublished price sensitive information or otherwise where clearance to deal is not given under paragraph 3 of this Policy.

## **3. Clearance to Deal**

3.1. A Responsible Officer or Relevant Employee must not deal in Securities without obtaining the prior approval of the Managing Director.

3.2. A Director (including the Managing Director) must not deal in Securities without obtaining the prior approval of the Chairman.

3.3. The Chairman must not deal in Securities without obtaining the prior approval of the Managing Director.

3.4. Requests for clearance to deal should be made in writing in the form outlined in Annexure A and forwarded to the person responsible for giving clearance. It is intended that all requests will be answered within 48 hours.

3.5 The person responsible for giving clearance must forward each written request, after it has been considered, to the Company Secretary.

3.6 Dealings in Securities must be completed within 1 week of approval being granted.

#### **4. Circumstances for Refusal**

4.1. Subject to paragraph 7, a Director, Responsible Officer or Relevant Employee must not be given clearance to deal in Securities during a prohibited period. A prohibited period means:

(a) any closed period;

(b) any period when there exists any matter which constitutes unpublished price sensitive information in relation to Securities (whether or not the person has knowledge of such matter); or

(c) any period when the person responsible for clearance otherwise has reason to believe that the proposed dealing is in breach of this Policy.

#### **5. Closed periods**

5.1. For the purpose of this Policy, a close period is:

(a) the period of 1 month immediately preceding the preliminary announcement of a Connected Fund's annual results or, if shorter, the period from the relevant financial year end up to and including the time of the announcement; and

(b) if the Connected Fund reports on a half yearly basis, the period of 1 month immediately preceding the announcement or publication of the half yearly results or, if shorter, the period from the relevant financial period end up to and including the time of such announcement or publication.

#### **6. Circumstances where clearance most appropriate**

6.1. As a matter of practice, the following periods are the most appropriate times for a Director, Responsible Officer or Relevant Employee to deal in Securities:

(a) in the 4 weeks following the day after the release of the annual accounts; and

(b) if the Connected Fund reports on a half yearly basis, in the 4 weeks following the day after the release of the half yearly results.

#### **7. Dealing in exceptional circumstances**

7.1. In exceptional circumstances, clearance may be given for a Director, Responsible Officer or Relevant Employee to sell (but not to purchase) Securities where they would otherwise be prohibited from doing so only because the proposed sale would fall within a closed period. The determination of whether circumstances are exceptional for this purpose must be made by the person responsible for the clearance.

- 7.2. Clearance may not be given where the person responsible for giving the clearance is aware of any other reason why the Director, Responsible Officer or Relevant Employee would be prohibited from dealing by this Policy.
- 7.3. An example of the type of circumstances which may be considered exceptional for these purposes would be a pressing financial commitment on the part of the Director, Responsible Officer or Relevant Employee that cannot otherwise be satisfied.

## **8. Dealings of a short term nature**

- 8.1. A Director, Responsible Officer or Relevant Employee must not deal in Securities on considerations of a short term nature.

## **9. Dealings by associated persons and investment managers**

- 9.1. A Director, Responsible Officer and Relevant Employee must (so far as is consistent with their duties of confidentiality to the Company or a Connected Fund) seek to prohibit (by taking the steps set out in paragraph 9.2 of this Policy) any dealing in Securities during a closed period or at a time when the Director, Responsible Officer or Relevant Employee is in possession of unpublished price sensitive information in relation to those securities and would be prohibited from dealing under paragraph 2 or 4.1 (b) of this Policy:

- (a) by or on behalf of any person associated with him (within the meaning of the Corporations Act) which includes the Director's, Responsible Officer's or Relevant Employee's spouse, defacto, family members, associated trusts, companies or other third parties contemplating the acquisition or sale of securities on the Director's, Responsible Officer's or Relevant Employee's behalf; or
- (b) by an investment manager on their behalf or on behalf of any person associated with them where either they or any person connected with them has funds under management with that investment manager, whether or not discretionary (except in the case of investments in an authorised unit trust, investment trust or similar publicly marketed investment vehicle, where the manager of the investment vehicle is not an investment manager for the purposes of this Policy).

- 9.2. For the purposes of paragraph 9.1 of this Policy, a Director, Responsible Officer or Relevant Employee must advise all such associated persons and investment managers:

- (a) that they are a Director, Responsible Officer or Relevant Employee of the Company;
- (b) of the closed periods during which they cannot deal in Securities;
- (c) of any other period when the Director, Responsible Officer or Relevant Employee is aware that they are not free to deal in Securities under the provisions of this Policy, unless their duty of confidentiality to the Company or Connected Fund prohibits them from disclosing such periods; and

(d) that they must advise them immediately after they have dealt in Securities.

9.3. Where a Director, Responsible Officer or Relevant Employee receives advice under paragraph 9.2(d) of this Policy, this information must immediately be communicated to the Company Secretary.

## **10. Guidance on other dealings**

10.1. For the avoidance of doubt and subject to the specific exceptions set out in paragraph 11 of this Policy, the following constitute dealings for the purposes of this Policy and are consequently subject to the provisions of this policy:

- (a) arrangements which involve a sale of securities with the intention of repurchasing an equal number of such securities soon afterwards;
- (b) dealings between Directors, Responsible Officers and Relevant Employees;
- (c) off market dealings; and
- (d) transfers for no consideration.

## **11. Exempt dealings**

11.1. The following dealings are not subject to the provisions of this Policy:

- (a) undertakings or elections to take up or the take up or the lapse of entitlements under a rights issue or other offer in which all shareholders are entitled to participate;
- (b) undertakings to accept, or the acceptance of, a takeover offer;
- (c) a dealing by a Director, Responsible Officer or Relevant Employee with an associated person whose interest in the securities is to be treated by virtue of the Corporations Act as their own interest;
- (d) subscription for shares under an employee share scheme; and
- (e) shares issued under a dividend reinvestment plan.

## **12. Record Keeping**

12.1. A written record will be maintained by the Company Secretary of the receipt of any request to deal pursuant to paragraph 3 of this Policy and of any clearance given.

12.2. A list of persons to whom this policy applies will be maintained by the Company Secretary as Annexure B to this Policy.

## **13. Who to Contact**

13.1. Queries in relation to the application of this Policy should be directed to the Company Secretary. Ultimately, the onus is on the individual Director, Responsible Officer or Relevant Employee to determine whether it is appropriate to deal in Securities.

#### **14. Adoption by Board**

14.1. This Policy was first adopted by the Board of the Company at a meeting of Directors on 24 February 2005 and amended on 28 August 2009.

**Annexure A**

**AUSTOCK PROPERTY**

**POLICY IN RELATION TO DEALING IN SECURITIES**

**REQUEST FOR CLEARANCE TO DEAL**

<b>To be completed by Applicant and forwarded to person responsible for giving clearance:</b>	
Name:	
Connected Fund:	
No. of Securities:	
Sale or Purchase:	
Details of exceptional circumstances (if any):	
Signature:	
Date:	
<b>To be completed by Managing Director or Chairman (as appropriate) and forwarded to Company Secretary:</b>	
Name:	
Is Clearance given?	
Signature:	
Date:	

**Dealing in Securities must be completed within 1 week of approval being granted, otherwise the approval will lapse**

**Annexure B**

**AUSTOCK PROPERTY**

**POLICY IN RELATION TO DEALING IN SECURITIES**

**PERSONS TO WHOM THIS POLICY APPLIES**

Refer Company Secretary.

**Annexure C**  
**AUSTOCK PROPERTY**  
**POLICY IN RELATION TO DEALING IN SECURITIES**

**ACKNOWLEDGEMENT**

I acknowledge that I have read, understood and agree to comply with the above Policy of Austock Property.

Dated: -----

Signed: -----

Name: -----