

# **Share Trading Policy**

**Ecosave Holdings Limited  
ACN 160 875 016**

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# Share Trading Policy

## 1. Introduction and Purpose

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Directors and employees are encouraged to hold shares in Ecosave. However, it is important that care is taken in the timing of any dealing in Ecosave's securities to avoid "insider trading". Listing Rule 12.9 requires Ecosave, as a listed entity, to have a trading policy that restricts its Key Management Personnel from trading in its securities during a Prohibited Period.

The purpose of this Policy is to ensure that:

- (a) Ecosave's Directors, Key Management Personnel and all other employees of Ecosave; and
- (b) directors, Key Management Personnel and all other employees of each of Ecosave's subsidiaries,

(together **Restricted Persons**) are aware of the legal restrictions on trading securities, while such a Restricted Person is in possession of unpublished price sensitive information concerning Ecosave. If a Restricted Person is uncertain of the status of unpublished information, he/she should discuss it with the Secretary before trading occurs.

Additionally, the objectives of this Policy are to:

- (c) minimise the risk of Restricted Persons contravening the laws against insider trading;
- (d) ensure Ecosave is able to meet its reporting obligations under the Listing Rules; and
- (e) increase transparency with respect to trading in Ecosave's securities by Restricted Persons.

To achieve these objectives, Restricted Persons should consider this Policy to be binding on them in the absence of a specific exemption by the Board.

## 2. Definitions

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General terms and abbreviations used in this Policy are defined as follows.

**ASX** means ASX Limited or the securities market operated by the ASX, as the case may be

**Board** means the board of Directors of Ecosave

**Chairman** means the chairman of Ecosave

**Corporations Act** means *Corporations Act 2001* (Cth)

**Corporations Regulations** means *Corporations Regulations 2001* (Cth)

**Director** means a director of Ecosave

**Ecosave** means Ecosave Holdings Limited ACN 160 875 016

**Key Management Personnel** means those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity. Ecosave has determined that its key management personnel are its Directors and those employees directly reporting to the managing Director

**Listing Rules** means the listing rules of the ASX

**Policy** means this Share Trading Policy

**Prohibited Period** has the meaning given to that term by Listing Rule 19.12

**Secretary** means the company secretary of Ecosave

### **3. Scope of transactions**

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This Policy applies to both the sale and purchase of any securities of Ecosave and its subsidiaries from time to time.

The definition of “securities” in the Corporations Act is very broad. Securities are defined to include:

- (a) shares;
- (b) options or performance rights;
- (c) debentures; and
- (d) convertible notes.

For the purposes of this Policy, the term “securities” also extends to financial products issued or created over or in respect of securities issued by Ecosave (for example, warrants and other derivative products), whether or not the financial products are created by Ecosave or by third parties.

### **4. Standards**

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All Restricted Persons should ensure that all transactions in Ecosave's securities comply with:

- (a) the Corporations Act and Corporations Regulations (including, without limitation, the insider trading provisions); and
- (b) the Listing Rules (including, without limitation, the continuous disclosure requirements in Listing Rule 3.1 and the disclosure of the Director's interests in accordance with Listing Rule 3.19A).

### **5. Insider trading**

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#### **5.1 Insider trading prohibition**

Section 1043A (of Part 7.10, Division 3) of the Corporations Act makes it an offence for a person in possession of information that is not generally available but which, if generally available, might materially impact the price or value of Ecosave's securities to:

- (a) trade in (i.e. apply for, acquire or dispose of, or enter into an agreement to do any of these things) Ecosave's securities; or
- (b) procure another person to trade in, Ecosave's securities,

(collectively referred to as **deal in Ecosave's securities**).

It is also an offence to tip the information to another person with the knowledge that the person could deal in Ecosave's securities. Accordingly, the prohibition on insider trading cannot be avoided by procuring or arranging for another person to deal on your behalf.

Contravention of section 1043A of the Corporations Act is a criminal offence and may also result in civil liability.

## 5.2 What is “price sensitive information”

Price-sensitive information means information relating to Ecosave or Ecosave’s subsidiaries that would, if the information were publicly known, be likely to:

- (a) have a material effect on the price or value of Ecosave’s securities; or
- (b) influence persons who commonly invest in securities in deciding whether or not to buy or sell Ecosave’s securities.

## 5.3 When is the information “generally available”?

Information is generally available if:

- (a) it consists of readily observable matter;
- (b) it has been made known in a manner likely to bring the information to the attention of people who commonly invest in securities of a kind whose price or value might be affected by the information, and, since it was made known, a reasonable period for it to be disseminated among such persons has elapsed;
- (c) it is derived from information which has been made public; or
- (d) it consists of observations, deductions, conclusions or inferences made or drawn from other generally available information.

## 5.4 Examples of insider trading

Examples of possible price-sensitive information include, but are not limited to the following:

- (a) a material acquisition, joint venture, realisation or disposal of assets;
- (b) threat of material litigation against Ecosave;
- (c) Ecosave’s sales and profit results materially exceeding or falling short of the market’s expectations;
- (d) a material change in debt, liquidity or cash flow;
- (e) a significant new development proposal i.e., new product or technology;
- (f) the granting or loss of a major contract;
- (g) management or business restructuring proposal;
- (h) proposed change in the capital structure, capital return and buy back of a financial product;
- (i) proposed payment of dividends or a share issue;
- (j) change to the Board;
- (k) an agreement or option to acquire an interest in an asset or business, or to enter into a joint venture or other arrangement in relation to an asset or business; and
- (l) any information required to be announced to the market pursuant to Listing Rule 3.1 (the Continuous Disclosure rule) which is yet to be released to the market.

## 5.5 Dealing through third parties

The insider trading prohibition extends to dealings by individuals through nominees, agents or other associates, such as family members, family trusts and family companies.

## 5.6 Consequences for breach of the insider trading prohibition

Breach of the insider trading prohibition by a Restricted Person or a Restricted Person's family member could expose the Restricted Person to criminal and civil liability. Breach of insider trading laws or this Policy will also be regarded by Ecosave as serious misconduct which may lead to disciplinary action and/or dismissal.

## 5.7 Source of information is irrelevant

Trading is prohibited at any time if the person possesses inside information. It does not matter how or where the person obtains the information and it does not have to be obtained from Ecosave to constitute inside information. This means that section 1043A of the Corporations Act will apply to any Restricted Person who acquires inside information in relation to Ecosave's securities, no matter in which capacity. In such circumstances, the Restricted Person is prohibited from dealing in Ecosave's securities.

## 5.8 Employee incentive scheme

The prohibition does not apply to acquisitions of shares or options by employees of Ecosave made under an employee share or option scheme, nor does it apply to the acquisition of shares as a result of the exercise of options under an employee option scheme. However, the prohibition does apply to the sale of shares acquired under an employee share scheme and also to the sale of shares acquired following the exercise of an option granted under an employee option scheme.

## 5.9 Dealing in shares of other companies

- (a) If a Restricted Person has "price sensitive information" relating to a company other than Ecosave which is not "generally available" the same insider trading rules outlined above apply to buying and selling securities in that company. In the course of performing duties as an employee of Ecosave, Restricted Persons may obtain price sensitive information relating to another company in a variety of circumstances. Examples include, but are not limited to the following:
- (i) another company may provide price sensitive information about itself to Ecosave in the course of a proposed transaction;
  - (ii) another company with whom Ecosave is dealing may provide price sensitive information about a third company; or
  - (iii) information concerning Ecosave or actions which may be taken by Ecosave (i.e. a planned transaction or strategic change) could reasonably have an effect on a third party company.
- (b) Apart from the application of the insider trading rules to securities in other companies, Restricted Persons are also bound by a duty of confidentiality in relation to information obtained in the course of their duties in respect of third parties.

## 6. Guidelines for trading in securities

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### 6.1 General rule

In addition to the general trading prohibitions outlined above, Restricted Persons must not deal in securities of Ecosave during a Prohibited Period.

Restricted Persons may deal in securities of Ecosave during any of the following periods:

- (a) 45 calendar days from the trading day after the date of Ecosave's Annual General Meeting;
- (b) 45 calendar days from the trading day after the release of the half yearly results announcement to the ASX;

- (c) 45 calendar days from the trading day after the release of the preliminary final results announcement to the ASX;
- (d) 45 calendar days from the trading day after the release of a disclosure document offering securities in Ecosave; and
- (e) 15 calendar days from the trading day after the release of a trading update relating to information that will be released under paragraph 6.1(b) or 6.1(c) in compliance with Ecosave's continuous disclosure obligations provided always that such release is not made within the period of 30 calendar days prior to a release under paragraph 6.1(a), 6.1(b), 6.1(c) or 6.1(d). If Restricted Persons decide to exercise their rights under this paragraph 6.1(e), they must consult the Board and obtain its advice as to Ecosave's compliance with the ASX Listing Rules prior to trading in accordance with this paragraph 6.1(e).

**(Trading Window).**

All other times outside these Trading Windows are **Closed Periods**.

For the avoidance of doubt, during the Closed Periods, Restricted Persons must not deal in financial products issued or created over, or in respect of, Ecosave's securities.

The Closed Periods may be extended or shortened, or another Closed Period may be introduced at any time by direction of the Board. Notice of such changes will be provided to Restricted Persons by email. A change to a Closed Period is effective immediately upon the giving of such notice. Where a Restricted Person does not have email access, it is the Secretary's responsibility to inform such Restricted Person.

If a Restricted Person is in possession of price sensitive information which is not generally available to the market, then he or she must not deal in Ecosave's securities at any time.

**6.2 Short term trading**

Despite anything to the contrary in this Policy, Restricted Persons must not engage in short term trading of any of Ecosave's securities. An example of this would be to buy Ecosave shares with an intention to sell them within a 12 month period from the date of purchase.

**6.3 Exceptions**

A Restricted Person may trade in Ecosave's securities during a Closed Period if that trading falls within one of the following categories:

- (a) an acquisition of ordinary shares in Ecosave by conversion of securities giving a right of conversion to ordinary shares;
- (b) an acquisition of Ecosave's securities under a bonus issue made to all holders of securities of the same class;
- (c) an acquisition of Ecosave's securities under a dividend reinvestment, or top-up plan that is available to all holders or securities of the same class;
- (d) a transfer of Ecosave's securities between a Restricted Person and someone closely related to the Restricted Person (such as a spouse, minor child, family company or family trust) or by a Restricted Person to his or his superannuation fund, in respect of which prior written clearance has been provided in accordance with the procedures set out in this Policy;
- (e) a disposal of securities arising from the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;

- (f) an investment in or trading in units of, a fund or other scheme (other than a scheme only investing in Ecosave's securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (g) where the Restricted Person is a trustee, trading in Ecosave's securities by that trust provided that the Restricted Person is not a beneficiary of the trust and any decision to trade during a Closed Period is taken by the other trustees or by the investment managers independently of the Restricted Person;
- (h) an undertaking to accept, or the acceptance of, a takeover offer;
- (i) trading under an offer or invitation made to all or most of Ecosave's members, such as a rights issue, a security purchase plan, a dividend or distribution reinvestment plan or an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements, the take-up by any underwriter under a renounceable or non-renounceable pro rata issue and the sale of entitlements required to provide for the take up of the balance of entitlement under a renounceable pro rata issue;
- (j) a disposal of Ecosave's securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement;
- (k) an exercise (but not the sale of Ecosave's securities following exercise) of an option or a right granted under an Ecosave employee incentive plan, or the conversion of a convertible Ecosave security, where the final date for the exercise of the option or right, or the conversion of the Ecosave security, falls during a Closed Period and Ecosave has been in an exceptionally long Closed Period or Ecosave has had a number of consecutive Closed Periods and the Restricted Person could not reasonably have been expected to exercise it at the time when free to do so; or
- (l) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy and where:
  - (i) the Restricted Person did not enter into the plan or amend the plan during a Closed Period;
  - (ii) this Policy plan does not permit the Restricted Person to exercise any influence or discretion over how, when, or whether to trade; and
  - (iii) this Policy does not allow a Restricted Person to cancel the trading plan or cancel or otherwise vary the terms of his or her participation in the trading plan during a Prohibited Period other than in exceptional circumstances.

In respect of any share or option plans adopted by Ecosave, it should be noted that it is not permissible to provide the exercise price of options by selling the shares acquired on the exercise of the options unless the sale of those shares occurs outside the Closed Periods. Were this to occur at a time when the person possessed inside information then the sale of Ecosave's securities would be a breach of insider trading laws, even though the person's decision to sell was not influenced by the inside information that the person possessed and the person may not have made a profit on the sale.

Where Ecosave's securities are provided to a lender as security by way of mortgage or charge a sale that occurs under that mortgage or charge as a consequence of default would not breach insider trading laws.

#### 6.4 **Notification of periods when Restricted Persons can trade**

The Secretary will endeavour to notify Restricted Persons of the times when they are permitted to buy or sell Ecosave's securities as set out in paragraph 6.1.

## 6.5 Trading with consent

A Restricted Person may trade in Ecosave's securities during a Closed Period if that person obtains written consent to do so in accordance with paragraph 6.6 of this Policy.

## 6.6 Procedure for obtaining written consent to trade

- (a) A Restricted Person who wishes to trade in Ecosave's securities during a Closed Period (**Applicant**) must obtain the prior written consent (which may be provided by way of an email) of:
  - (i) the Chairman; or
  - (ii) where the Chairman is the Applicant, the Non-Executive Directors of the Board, (collectively, the **Decision Maker(s)**).
- (b) As part of such application, an Applicant must give the Decision Maker(s) a written undertaking that the Applicant complies with paragraph 6.2 of this Policy;
- (c) The Decision Maker(s) may only provide written permission to trade in Ecosave's securities where:
  - (i) the Restricted Person is in severe financial hardship or other exceptional circumstances exist; and
  - (ii) the Decision Maker(s) are satisfied that there is no inside information which has not been disclosed to the ASX.
- (d) A Restricted Person may be in severe financial hardship if they have a pressing financial commitment that can not be satisfied other than by selling the securities of Ecosave. In the interests of an expedient and informed determination by the Decision Maker(s), any application for an exemption allowing the sale of Ecosave's securities during a Closed Period based on financial hardship must be made in writing, be accompanied by a statutory declaration stating all of the facts and be accompanied by copies of relevant supporting documentation, including contact details of the person's accountant, bank and other such independent institutions. Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.
- (e) Exceptional circumstances may apply to the disposal of Ecosave's securities by a Restricted Person if the person is required by a court order, a court enforceable undertaking for example in a bona fide family settlement, to transfer or sell securities of Ecosave or there is some other overriding legal or regulatory requirement to do so. Any application for an exemption allowing the sale of Ecosave's securities during a Closed Period based on exceptional circumstances must be made in writing and be accompanied by relevant court and/or supporting legal documentation. Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.
- (f) An Applicant seeking clearance to trade must satisfy the Decision Maker(s) that they are in severe financial hardship or that their circumstances are otherwise exceptional and that the proposed sale or disposal of the relevant Ecosave securities is the only reasonable course of action available.
- (g) Determination as to whether the Applicant is in severe financial hardship or whether a particular set of circumstances exist may only be made by the Decision Maker(s).
- (h) Any permission provided under this paragraph 6.6 must be obtained by the Applicant not less than two business days before the proposed trading.

- (i) Copies of written approvals must be forwarded to the Secretary prior to the approved purchase or sale transaction.

## 6.7 Sales of securities

Restricted Persons need to be mindful of the market perception associated with any sale of Ecosave's securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the management of the sale of any significant volume of Ecosave's securities (i.e. a volume that would represent a volume in excess of 10% of the total securities held by the seller prior to the sale, or a volume to be sold that would be in excess of 10% of the average daily traded volume of the shares of Ecosave on the ASX for the preceding 20 trading days) by a Restricted Person needs to be discussed with the Board prior to the execution of any sale. These discussions need to be documented in the form of a file note, to be retained by the Secretary.

## 7. ASX notification by Directors

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- (a) Directors are required to notify the Chairman and the ASX of any dealing in Ecosave's Securities (either personally or through a third party) which results in a change in the relevant interests of the director in their Ecosave securities.
- (b) Whilst the Corporations Act requires Directors to notify the ASX of any changes to their holdings within 14 days, Ecosave is required under the Listing Rules to notify the ASX:
  - (i) of such dealings within five business days of the change; and
  - (ii) whether the dealing occurred during a Closed Period and if so, whether written clearance was obtained and on what date it was obtained.
- (c) To enable Ecosave to comply with these requirements, Directors must furnish the relevant information within five business days to the Secretary who will facilitate the transmission of these notifications to the ASX. Notifications will also be tabled before the Board.

## 8. Employment and monitoring

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To promote understanding of the insider trading prohibition and related Corporations Act provisions and this Policy, a copy of this Policy will be distributed to all Restricted Persons (present and future) and will also be available on Ecosave's website. The induction procedures for new Restricted Persons must require that a copy of this document be provided to each new Restricted Person.

## 9. Compliance

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Compliance with the rules set out in this document is mandatory and is a condition of your employment. Infringement of the insider trading provisions can attract a substantial monetary penalty, imprisonment or both in addition to loss of employment.

Any Restricted Person who does not comply with this Policy will be considered to have engaged in serious misconduct which may result in the termination of their engagement by Ecosave.

Ultimate discretion rests with the Chairman in respect of granting a waiver to the requirements of this Policy to allow Restricted Persons to trade in the shares of Ecosave, provided that to do so would not be illegal.

## 10. Policy responsibility

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- (a) Each Restricted Person is responsible for adhering to this Policy.
- (b) The Secretary has responsibility for enforcing this Policy.

## **11. Additional information**

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If you have any questions relating to this Policy, contact the Secretary at Ecosave's head office.

## **12. Disclosure of Charter**

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This Policy will be made available, and updated as required, on Ecosave's website in a clearly marked "Corporate Governance" section.

## **13. Approval**

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This Policy was approved by the Board on 19<sup>th</sup> November 2012. The Board may change this Policy by resolution.