



One Investment Group

Securities Trading Policy

ASX Listed Funds

Date: 22 August 2017

For personal use only

Table of contents

1	Purpose	1
1.1	Application of Policy.....	1
1.2	Scope.....	1
1.3	Who does this policy apply to?	1
1.4	Further advice.....	1
2	Insider trading prohibitions in the Corporations Act	2
2.1	What are the insider trading prohibitions?	2
2.2	What is Inside Information?	2
2.3	When is information generally available?	3
2.4	Penalties	3
3	No dealing in Prohibited Periods	3
3.1	Closed and Prohibited Periods	3
3.2	Prior notification	4
3.3	Clearance	4
3.4	Notification of dealing	4
3.5	Securities of other entities	4
3.6	Associates	4
4	Exceptional circumstances	5
5	Permitted dealings	5
6	Further restrictions	6
6.1	Margin lending	6
6.2	No short term or speculative trading.....	6
6.3	No hedging	6
6.4	Meaning of financial products.....	7
7	Confidential Information	7
8	Review and publication of this policy	7

For personal use only

1 Purpose

1.1 Application of Policy

This policy applies to:

- (a) all members of the One Investment Group (**OIG**) that operate (each a **Responsible Entity**) registered managed investment schemes (**Funds**) listed on the Australian Stock Exchange (**ASX**)¹ where the units in that Fund are not stapled to any other security²;
- (b) all directors on the board of the relevant Responsible Entity (**Board**), as well as officers, employees and consultants of **OIG**; and
- (c) where indicated, entities appointed by the Responsible Entity to manage the assets of the relevant ASX listed Fund (**Investment Manager**).

1.2 Scope

This policy summarises the law relating to insider trading and sets out the Responsible Entity's trading policy on buying and selling any units issued by the Responsible Entity that are able to be traded on a financial market (**Securities**).

1.3 Who does this policy apply to?

This policy applies as follows:

- (a) part 2 (insider trading laws) and part 7 (confidentiality) apply to everyone (including all employees, contractors, family and associates);
- (b) parts 3 to 6 (trading policy) apply to:
 - (i) all directors and officers of the Responsible Entity, and other key management personnel of **OIG**; and
 - (ii) unless the Investment Manager has adopted and administers its own trading policy on terms acceptable to the board of directors of the Responsible Entity, all directors, officers and other key management personnel of the Investment Manager; and
 - (iii) any other person designated by the Board from time to time (each, a **Designated Person**); and
- (c) paragraph 3.6 (associates) applies this Securities Trading Policy to the family and associates of Designated Persons as specified in that paragraph.

1.4 Further advice

If you do not understand any aspect of this trading policy, or are uncertain whether it applies to you or your family or associates, please contact the Company Secretary. You may wish to obtain your own legal or financial advice before dealing in Securities.

¹ In this policy, ASX means ASX Limited or Australian Securities Exchange as appropriate.

² **OIG** adopts specific security trading policies for stapled groups.

For personal use only

2 Insider trading prohibitions in the Corporations Act

2.1 What are the insider trading prohibitions?

Under the *Corporations Act 2001* (Cth) (**Corporations Act**), if you have Inside Information (as defined in paragraph 2.2 below) relating to Securities, it is illegal for you to:

- (a) deal in (that is, apply for, acquire or dispose of) Securities or enter into an agreement to do so; or
- (b) procure another person to apply for, acquire or dispose of Securities or enter into an agreement to do so; or
- (c) directly or indirectly communicate, or cause to be communicated, that information to any other person if you know, or ought reasonably to know, that the person would or would be likely to use the information to engage in the activities specified in paragraphs (a) or (b) above.

These prohibitions also apply to the application for, grant, exercise or transfer of an option over Securities and to the securities of other entities if you possess Inside Information about those entities.

It does not matter how or in what capacity you become aware of the Inside Information. It does not have to be obtained from the Responsible Entity to constitute Inside Information.

You cannot avoid the insider trading prohibition by arranging for a member of your family or a friend to deal in the Securities nor may you give “tips” concerning Inside Information relating to the relevant Fund or the Securities to others.

These prohibitions apply to everyone (not just Designated Persons) and to all securities (not just Securities) at all times.

2.2 What is Inside Information?

“**Inside Information**” is information which is not generally available but, if the information was generally available, would be likely to have a material effect on the price or value of the Securities. Inside Information can include matters of speculation or supposition and matters relating to intentions or likely intentions of a person.

Information is regarded as being likely to have a material effect if it would, or would be likely to, influence persons who commonly invest in securities or other traded financial products in deciding whether or not to deal in the Securities.

Examples of Inside Information could be:

- (a) the financial performance of Fund against its budget;
- (b) changes in the Fund’s actual or anticipated financial condition or business performance;
- (c) changes in the capital structure of the Fund, including proposals to raise additional equity or borrowings;
- (d) proposed changes in the nature of the business of the Fund;
- (e) changes to the Board or significant changes in key management personnel;
- (f) removal or replacement of the Responsible Entity or the Investment Manager;
- (g) an undisclosed significant change in Fund’s market share;
- (h) likely or actual entry into, or loss of, a material contract;
- (i) material acquisitions or sales of assets by the Fund;

- (j) a proposed distribution or a change in distribution policy; or
- (k) a material claim against the assets of the Fund the Responsible Entity or other unexpected liability.

2.3 When is information generally available?

Information is generally available if:

- (a) it consists of readily observable matter or deductions;
- (b) it has been brought to the attention of investors through an announcement to ASX Limited (**ASX**) or otherwise similarly brought to the attention of investors who commonly invest in securities, and a reasonable period has elapsed since it was announced or brought to investors' attention; or
- (c) it consists of deductions, conclusions or inferences made or drawn from information referred to in paragraphs (a) or (b) above.

Examples of possible readily observable matters are:

- (d) a change in legislation which will affect the Responsible Entity's ability to make certain types of investments; or
- (e) a severe downturn in global securities markets.

2.4 Penalties

Breach of the insider trading laws may subject you to:

- (a) criminal liability - penalties include heavy fines and imprisonment;
- (b) civil liability - you can be sued by another party or the Responsible Entity for any loss suffered as a result of illegal trading activities;
- (c) civil penalty provisions - the Australian Securities and Investments Commission (**ASIC**) may seek civil penalties against you and may even seek a court order that you be disqualified from managing a corporation.

Breach of the law, this policy, or both, will also be regarded by the OIG Group and the Responsible Entity as serious misconduct which may lead to disciplinary action or dismissal.

3 No dealing in Prohibited Periods

3.1 Closed and Prohibited Periods

Designated Persons must not deal in Securities during the following prohibited periods (except in accordance with this policy):

- (a) the following closed periods:
 - (i) from the day after the half year end (eg. 1 January or 1 July) to the close of trading on the business day after the Fund's half yearly results are announced to ASX;
 - (ii) from the day after the financial year end (eg 1 July or 1 January) to the close of trading on the business day after the Fund's annual results are announced to ASX;
 - (iii) from 28 days before, to the close of trading on the business day after, a general meeting to be held in respect of the Fund; and

- (iv) from 28 days before a product disclosure statement, a prospectus or similar disclosure document is lodged by the Responsible Entity with ASX in respect of the Fund; and

(b) any extension to a closed period, and any additional period, as specified by the Board,

(Prohibited Periods).

Designated Persons may deal in Securities at other times subject to complying with insider trading prohibitions (see part 2 above) and the requirements of this policy.

3.2 Prior notification

If a Designated Person proposes to deal in Securities (including entering into an agreement to deal) they must first provide:

- (a) written notice of their intention to the Company Secretary (or another person, as notified to the relevant Designated Person or specified below) (**Notification Officer**); and
- (b) written confirmation that they are not in possession of Inside Information, in the form of the template in Appendix A part A.

The relevant Notification Officer may appoint a delegate to act on his or her behalf in the case of temporary absence. Where the Designated Person intending to trade is the Company Secretary, they must provide their written notice to the other Company Secretary (where there is more than one appointed) or the Chairman of the Compliance Committee.

3.3 Clearance

If the proposed dealing by the Designated Person would be in a Prohibited Period, before dealing in the Securities, the Designated Person must receive a written clearance in the form template at Appendix A part B signed by the Notification Officer.

A clearance expires five business days from its date, unless it specifies a different expiry date.

A clearance to trade confirms that the proposed dealing by the Designated Person is within the terms of the trading policy but does not otherwise constitute approval or endorsement by the Responsible Entity or the Notification Officer for the proposed dealing. Even if a clearance is granted, a Designated Person remains personally responsible for assessing whether the insider trading prohibitions apply to them.

A register of notifications and clearances is to be kept by the Company Secretary.

3.4 Notification of dealing

In addition to providing prior notification and seeking clearance under paragraph 3.2, Designated Persons must confirm in writing to the relevant Notification Officer, within three business days from when the dealing in Securities has occurred, the number of Securities affected and the relevant parties to the dealing.

A register of Designated Persons' interests in Securities is to be kept by Company Secretary.

3.5 Securities of other entities

The Board may extend this policy by specifying that Designated Persons are also restricted from dealing in the securities of other specified entities with which Fund may have a close relationship.

3.6 Associates

This policy also applies to associates of Designated Persons. A Designated Person must communicate on behalf of their associate with the Notification Officer for the purposes of this policy.

For personal use only

“**Associates**” of a Designated Person includes their family members, trusts, companies, nominees and other persons over whom a Designated Person has, or may be expected to have, investment control or influence. If you are in doubt as to whether a person is an associate, you should contact the Company Secretary who will make a determination on the issue.

4 Exceptional circumstances

4.1 A Designated Person may request, and the Notification Officer may give, prior confirmation for the Designated Person to:

- (a) deal in Securities during a Prohibited Period; or
- (b) dispose of Securities even if otherwise prohibited under part 6,

if there are exceptional circumstances (except if this would breach the insider trading prohibitions - see part 2 above).

4.2 Exceptional circumstances may include:

- (a) severe financial hardship, for example, a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant Securities;
- (b) requirements under a court order or court enforceable undertakings or other legal or regulatory requirements; or
- (c) other exceptional circumstances as determined by the Chairman (or Chief Executive Officer where the Chairman is involved).

If the Notification Officer has any doubt that exceptional circumstances exists, they should exercise the discretion with caution.

The requirements of paragraphs 3.2 to 3.4 must be complied with regarding prior notification, clearance and notification of dealing.

5 Permitted dealings

The following types of dealing are excluded from the operation of part 3 of this policy and may be undertaken at any time without requiring prior notification, approval or clearance or notification of dealing, subject to the insider trading prohibitions:

- (a) (*superannuation*) transfers of Securities which are already held in a superannuation fund or other saving scheme in which the Designated Person is a beneficiary;
- (b) (*third parties*) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) (*other trustees*) where a Designated Person is a trustee, trading in Securities by the respective trust provided the Designated Person is not a beneficiary of the trust and any decision to trade during a Prohibited Period is taken by the other trustees or by the investment managers independently of the Designated Person;
- (d) (*takeover*) disposal of securities arising from the acceptance of a takeover offer or scheme of arrangement;
- (e) (*rights offers, SPPs, DRPs and buy-backs*) trading under an offer or invitation made to all or most of the security holders, such as a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and 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

For personal use only

and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;

- (f) (*lender disposal*) a disposal of Securities that is the result of a secured lender (or financier) exercising their rights, however, this does not extend to disposal under a margin lending agreement where such agreements are prohibited by this policy ;
- (g) (*incentive scheme*) the exercise (but not the sale of Securities following exercise) of an option or right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a Prohibited Period and the Prohibited Period has been extended or there have been a number of consecutive Prohibited Periods and the Designated Person could not reasonably have been expected to exercise it at a time when free to do so; and
- (h) (*trading plan*) 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 Designated Person did not enter into the plan or amend the plan during a Prohibited Period; and
 - (ii) the trading plan does not permit the Designated Person to exercise any influence or discretion over how, when, or whether to trade.

However, this policy does not allow the Designated Person to cancel the trading plan or cancel or otherwise vary the terms of their participation in the trading plan during a prohibited period other than in exceptional circumstances.

- (i) (*bonus issue*) acquiring Securities under a bonus issue made to all holders of Securities of the same class;
- (j) (*subscription under disclosure document*) subscribing for Securities under a disclosure document.

6 Further restrictions

6.1 Margin lending

Designated Persons are not permitted to enter into margin lending arrangements in relation to Securities. This is on the grounds that the terms may require Securities to be sold during a Prohibited Period or when the Designated Person possesses inside information.

This restriction does not extend to other funding arrangements where Securities may be included as security. Designated Persons should consult the Company Secretary if they are uncertain as to whether an arrangement should be classified as a margin lending arrangement.

6.2 No short term or speculative trading

The Responsible Entity encourages Designated Persons to be long term investors in Funds.

Designated Persons must not engage in short term or speculative trading in Securities or in financial products associated with the relevant Fund or Securities. Short term means, in less than a 12 month period.

Designated Persons are not permitted to engage in short selling of Securities.

6.3 No hedging

Subject to the law, Designated Persons must not:

- (a) enter into transactions or arrangements with anyone which could have the effect of limiting their exposure to risk relating to an element of their remuneration that:
 - (i) has not vested; or
 - (ii) has vested but remains subject to a holding lock; or
- (b) deal at any time in financial products associated with Securities, except for the type of dealing permitted by law or a permitted dealing under this policy.

6.4 **Meaning of financial products**

Financial products includes derivatives, options, warrants, futures, forward contracts, swaps and contracts for difference issued or created over or associated with Securities including by third parties.

7 **Confidential Information**

You must treat all sensitive, non-public information (**Confidential Information**) about the Fund as confidential and belonging to the Responsible Entity and the Fund. You must not disclose Confidential Information to others (including family members, relatives, business or social acquaintances) except as authorised or legally required. You must avoid inadvertent or indirect disclosure of Confidential Information.

Even within the Responsible Entity, Confidential Information should be distributed to or discussed with others only on a need-to-know basis, and those people must be told that the information is confidential. Be careful that your conversations are not overheard in elevators, aeroplanes or other public places. Do not leave Confidential Information on conference tables, desks or otherwise unguarded.

Take whatever steps are reasonably necessary to keep Confidential Information from being disclosed, except as authorised or legally required.

8 **Review and publication of this policy**

The Board will review this policy annually. This policy may be amended by resolution of the Board.

This policy is available on the Fund's website. Key features are published in:

- (a) either the annual report or in the Corporate Governance Statement available annually on Fund's website; and
- (b) in the Appendix 4G to be lodged with the ASX at the same time as lodgement of the annual report.

For personal use only

Annexure A

**Notification to deal in Securities
[#Name of FUnD#]**

Instructions:

*This form is to be used in conjunction with OIG’s securities trading policy (**Trading policy**) which is available on the Fund’s website. Terms defined in the Trading Policy have the same meaning in this form. If you have any questions, please contact the Company Secretary.*

Your Notification Officer is set out in the Trading Policy. If under the Trading Policy you are required to notify us of a proposed transaction, please complete Part A and send it to the Notification Officer.

If you require Clearance to trade, you must receive Part B completed by the Notification Officer before you trade.

If required, you must send a notification of dealing and details of your trade to the Notification Officer in the time required.

1 Part A- Notification by a Designated Person

Name of Designated Person	(“Designated Person”)
Name of Fund	
Description of Securities (ie number and class of Securities)	(“Securities”)
Nature of agreement/dealing ([on /off market] [purchase / sale] or subscription)	
Proposed date of transaction (ie completion date)	

I confirm that:

- (a) I am not in possession of any unpublished information which, if generally available, might materially affect the price or value of the Securities; and
- (b) the transaction in the Securities described above does not contravene the Trading Policy.

Signed: _____

Dated: _____

2 Part B - Clearance by the Notification Officer

This clearance confirms that the proposed dealing by the Designated Person is within the terms of the Trading Policy but does not otherwise constitute an approval or endorsement of the proposed dealing.

Name: _____ Title: _____

Signature: _____

Dated: _____

For personal use only