



## **SECURITIES TRADING POLICY**

**(FOR DIRECTORS AND EMPLOYEES)**

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### **1 Definitions**

This Securities Trading Policy (the Policy) relates to trading in Securities issued by Questus Limited by its Directors and Employees.

In this Policy:

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| <b>Chairman</b> | means the Chairman of Questus Limited (QL) and Questus Funds Management Limited (QFML) or in his/her absence, their nominee. |
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| <b>Questus Limited</b> | means Questus Limited, listed on the Australian Securities Exchange (ASX) and any of their subsidiaries (whether ownership is held directly or indirectly). |
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| <b>Company Secretary</b> | means the Company Secretary of Questus Limited or in his/her absence, their nominee. |
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| <b>Dealing</b> | includes buying and selling; or agreeing to buy or sell; or procuring another person to buy or sell; or communicating (directly or indirectly) information that, if it were generally known, would be likely to cause another person to buy or sell. |
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| <b>Directors</b> | mean directors of QL and QFML and Director means any one of them. |
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| <b>Employee</b> | means an employee of Questus Limited, and contractors required to comply with Questus Limited's policies and procedures (e.g. long term temporary staff), and includes employees of service companies that provide ongoing services to the Questus Limited Group. |
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**Inside Information** means information that is not generally available to the market that, if it were available, it would be reasonable to expect to have a material effect on the price of Securities. It is information affecting the company's financial position, strategy or operations and it includes (but is not limited to) sales figures; profit forecasts; capital expenditure; borrowings; liquidity and cashflow; significant changes in operations; management restructuring; impending mergers and acquisitions, reconstructions or takeovers; major asset purchases or sales; new products and technology, etc. In contrast, information is generally available where the information is made known in a manner that would, or would be likely to, bring it to the attention of people who commonly invest in Questus Limited Securities or financial products similar to those offered by Questus Limited.

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**Securities** includes shares, options, debt securities and other financial instruments, issued by Questus Limited or any interest created over Securities by third parties, structured financial products, swaps, future contracts, contracts for differences, spread bets, options, warrants, depositary receipts or other derivatives over or related to the performance of Securities.

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**Units** means units offered under a Product Disclosure Statement or Prospectus (PDS) or Information Statements (IM) issued in respect of any Questus Funds Management Limited.

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## **2 Reasons for the policy**

Directors and Employees of Questus Limited are encouraged to be long-term holders of Securities. However, it is important that they conduct their personal investment activity in a manner that is lawful and avoids conflict of interest between the Directors or Employees personal interest and those of Questus Limited.

The Policy is specifically designed to raise awareness and minimise any potential for breach of the prohibitions on insider trading contained in the Corporations Act 2001 (Cth.) (the Act) and to provide guidance to Directors and Employees when Dealing in Securities, and or Units so as to minimise the chance that Directors and Employees Dealings in Securities and or Unites may be misinterpreted as Dealing while in possession of Inside Information.

### **3 Prohibitions**

#### **3.1 Insider trading prohibition**

Consistent with the law, all Directors and Employees of Questus Limited or any one or more of its controlled entities, are prohibited in all circumstances from dealing in securities and/or units at any time if they are in possession of Inside Information regarding Questus Limited whether or not there is a Trading Blackout (refer to Section 4). In particular, this prohibition means that, if in possession of Inside Information, Directors and Employees must not:

- a) buy or sell securities and or units;
- b) procure someone else to buy or sell securities and/or units, which includes inducing or encouraging those third parties to deal; and
- c) pass on Inside Information to a third party where that person knows, or ought to reasonably know, that the third party would be likely to buy or sell or procure someone else to buy or sell securities and or units.

Broadly speaking, breaching any of these prohibitions may constitute insider trading.

The prohibition extends to dealings by Directors and Employees where they use nominees, agents, immediate family members, companies or trust, i.e. a Director or Employee of Questus Limited can still be guilty of insider trading even though they are not the actual person who bought or sold the securities and or units.

It also does not matter how or where they obtained the information – it does not have to be from Questus Limited to constitute Inside Information.

#### **3.2 Third parties**

Questus Limited Directors and Employees must not deal in securities and or units in a company or trust that Questus Limited is transacting with or has an interest in, where the Director or Employee becomes privy to Inside Information about that company or trust in the course of their service or employment with Questus Limited.

When dealing with advisers and contractors, it is important that Questus Limited Employees and Directors seek to ensure confidentiality if and when these third parties may become privy to Inside Information. Where practicable, this will be achieved by entering into a confidentiality agreement with the relevant parties or inserting a confidentiality clause in the respective agreements. However, and notwithstanding that a confidentiality agreement may have not been entered into, if an adviser or contractor of Questus Limited (including professional services providers) deals in Questus Limited securities and or units while in possession of Inside Information, this may result in the termination of their working relationship with Questus Limited.

### **3.3 No short-term trading of Securities**

It is contrary to this Policy for Directors and Employees to engage in short-term trading of Securities.

### **3.4 No hedging of Securities (including unvested Securities)**

It is also contrary to this Policy to seek or enter into any type of transactions or arrangements that would hedge the exposure to movements in the price of securities and, in particular, arrangements or transactions in associated products which limit the economic risk of participating in equity based remuneration schemes whereby the unvested securities are issued.

### **3.5 No short-selling of Securities**

Directors and Employees in all circumstances are prohibited from dealing in securities which amount to “short-selling” of securities (or an interest in securities) or otherwise enable a Director or an Employee to profit from a decrease in the market price of securities.

## **4 Permitted Dealings**

### **4.1 Dealing in Securities**

Subject at all times to not being in possession of Inside Information Directors and Employees can deal in securities at any time except during Trading Blackouts, subject to the notification and approval procedures set below.

### **4.2 Trading Blackouts**

There are 3 (three) designated Trading Blackouts in relation to securities:

1. The period of 2 (two) weeks before the date scheduled for the public release to the ASX, by Questus Limited of its:
  - a) estimated dividend/distribution for the half year ending 31 December, and
  - b) estimated dividend/distribution for the full year ending 30 June; and
2. The period of 4 (four) weeks before the date scheduled for the public release to the ASX, by Questus Limited of its Half year results, and
3. The period of 4 (four) weeks before the date scheduled for the public release to the ASX, by Questus Limited of its Preliminary Final Report until the Full year results are released to the ASX.

*Notwithstanding these designated Trading Blackouts, Questus Limited may declare a Trading Blackout in respect of securities at any time at its absolute discretion and without prior notice if considered necessary by the Directors.*

Trading Blackouts will operate automatically at the times described above. The Company Secretary will notify Directors and Employees by e-mail when a Trading Blackout commences or closes and will include a daily reminder that the Blackout is in effect in Questus Limited's internal newsletter until the Blackout period ceases.

No Dealing in Securities may occur within the Trading Blackouts without special leave being granted by the Chairman or Managing Director. Leave will ordinarily only be granted in situations of financial hardship and only in the event that the person involved is not in possession of Inside Information affecting Securities.

A situation may arise where Securities are held by Directors or Employees within a margin lending account and a sale of those Securities is enforced by the lending institution. If such a sale occurs during a Trading Blackout period, the Chairman will consider whether a breach of this policy has been made after considering all circumstances.

#### **4.3 Participation in Employee Securities Plans**

Directors and Employees, where invited to participate, may make applications for and acquire securities under those applications under any employee share plan, irrespective of any Trading Blackout in effect. There are no prior notifications or approvals required in respect to this.

However, any subsequent Dealing by participating Directors or Employees will be subject to the general prohibitions and procedural requirements set out in this Policy.

#### **4.4 Participation in Distribution and Dividend Reinvestment Plans (DRP)**

In the case of DRP, the Director or Employee must only elect to participate in the DRP when they are not in possession of Inside Information. Subsequent acquisitions of new Securities by virtue of the routine operation of the DRP need not be notified (except in the case of Directors, where notice of the completed trading is required as per Clause 6.3 below) or consented to.

### **5 Dealing in Units**

All provisions in this Policy regarding securities and units are applicable (where relevant) when dealing in units EXCEPT provisions in relation to Trading Blackouts. Trading Blackouts DO NOT APPLY when dealing in units. Specifically, notification requirements (see below) and insider trading provisions are fully effective in relation to units as they are in relation to securities.

*Notwithstanding the above, Questus Limited may declare a Trading Blackout in respect of units at any time at its absolute discretion and without prior notice if considered necessary by the Directors.*

## **6 Pre-notification, reporting and conduct of Dealings**

### **6.1 Notification of intention to Deal**

When permitted to deal in accordance with this policy, all Employees dealing in securities and or units must inform either the Chairman or his nominee of any proposed Dealing not later than the day of the proposed Dealing.

In the case of a *Director*, they must also provide prior notice of any intention to deal to the Chairman ONLY. In the case of notice by the Chairman, to the non-executive Directors and if no non-executive Directors to at least two other Directors. The prior notification may be given in writing or verbally. If the notification is given verbally it must be followed by a written confirmation to the relevant person or persons as soon as possible with a copy to the Company Secretary.

### **6.2 Consent for Dealing**

Employees should not complete the proposed dealing until consent is given by either the Chairman or his nominee.

In the case of a Director, they must obtain consent from Chairman prior to Dealing (or, in the case of the Chairman, by the non-executive Director and if no non-executive Directors to at least two other Directors).

Consent will not be given if there is any possibility that this Policy could be breached. No reason will be given for the grant or refusal of consent to deal in securities and or units. Consent may be given in writing or verbally. Where consent is given verbally, written confirmation should follow.

In particular, consent may not be given when management accounts are available prior to the commencement of a designated Trading Blackout.

If a person would require special leave to deal during a Blackout Period due to financial hardship or similar circumstances, it must request it from the Chairman or his nominee via the Company Secretary and must not complete the dealing until authorisation is given in writing to him/her by the Chairman or his nominee.

### **6.3 Reporting of completed Dealings**

Once a dealing of any securities and or units is completed by or for a Director or an Employee, its completion, and the date, price and volume and the name to which the purchase was made (i.e. the Employee or Director's own name, a trustee entity, an immediate family member, etc.), must be reported within 24 hours by e-mail to the Company Secretary (and also the Chairman or his nominee in the case of a Director or, in the case of a Chairman, to each of the non-executive Directors and if no non-executive Directors to at least two other Directors). The Company Secretary will maintain a register of Employee and Director dealings.

Note: Questus Limited must disclose any purchase or sale of Securities by any one of its Directors to the ASX within 5 business days from the Dealing being completed.

## **7 Takeovers & Schemes of Arrangement**

The restrictions in this Policy do not prevent a Director or an Employee from accepting a takeover bid or from selling securities under a scheme of arrangement in respect of Questus Limited.

## **8 Breaches**

Insider trading, or the perception of insider trading, by any Director or Employee, will not be tolerated. Any allegation of insider trading would be likely to have a serious detrimental impact on Questus Limited's business. We must all be seen to be actively and diligently upholding the law and complying with this Policy.

*Breaches of this Policy will be viewed seriously and may lead to disciplinary action being taken against the relevant Director or Employee. In serious cases, such action may include dismissal or removal from office. Any Director or Employee who becomes aware of a violation of this Policy should immediately report the violation to the Company Secretary.*

It should also be noted that, in some circumstances, Questus Limited may be obliged to notify regulatory and/or criminal authorities of a serious breach of this Policy. Insider trading is a crime and can result in penalties which include:

- a) For an individual – a fine of up to \$220,000 and a jail term of up to 5 years; and
- b) For a corporation (i.e. Questus Limited) – a fine of up to \$1,100,000.

In addition, the insider trader, and any other persons involved in the contravention, may also be liable to compensate third parties for any resulting loss.

## **9 Distribution of the Policy**

Directors will be provided with a copy of this Policy upon appointment. Employees will receive a copy of the Policy upon employment.

A full copy of the Policy will be placed in the Governance Section of Questus Limited's website.

## **10 Review of Policy**

This Policy will be reviewed regularly by the Directors, having regard to the changing circumstances of Questus Limited and any changes to the Policy will be notified in accordance with the process in Section 4 above (i.e. by e-mail from the Company Secretary). If Directors, Employees or advisers have any comments or views concerning the operation or effectiveness of the Policy, they should be communicated to the Company Secretary.

## **11 Questions**

For questions about the operation of the Policy, please contact:

Elizabeth Lee  
Company Secretary

Telephone: (08) 6184 8000

E-mail: [Elizabeth.lee@questus.com.au](mailto:Elizabeth.lee@questus.com.au)