

Securities dealing policy **MOELIS** AUSTRALIA

Moelis Australia Limited

ACN 142 008 428

Adopted by the Board on 28 February 2017

1 What is this policy about?

The purpose of this Policy is to:

- ensure that public confidence is maintained in the reputation of Moelis Australia Limited (the **Company**) and its related bodies corporate (together, **the Group**), the directors and employees of the Group and in the trading of the Company's securities;
- explain the Company's policy and procedures for the buying and selling of securities to assist the Group's directors and employees; and
- recognise that some types of dealing in securities are also prohibited by law.

2 Who must comply with this Policy?

This Policy applies to all employees and directors of the Group (**Employees**).

Certain aspects of this Policy apply only to Employees who are:

- directors of the Company (**Directors**);
- officers and other direct reports to the Chief Executive Officer (**Senior Executives**);
- employees who have been advised by the Company Secretary that they have information that is or may become Inside Information (**Nominated Employees**); and/or
- other key management personnel (as defined in the Accounting Standards) not otherwise covered above.

This Policy also applies to **Connected Persons** of all Employees, meaning, for each Employee:

- (a) a family member who may be expected to influence, or be influenced by, the Employee in his or her dealings with the Company or Company securities (this may include the Employee's spouse, partner and children, the children of the Employee's partner, or dependants of the Employee or the Employee's partner); and
- (b) a company or any other entity which the Employee has an ability to control.

Employees must take appropriate steps to ensure that their Connected Persons do not breach this Policy.

3 When can I deal in the Company's securities?

3.1 All Employees – no dealing while in possession of inside information

Employees and their Connected Persons must not deal in the Company's securities if:

- they are aware of confidential information that is materially price sensitive; or
- the Company has notified Employees that they must not deal in securities (either for a specified period, or until the Company gives further notice).

3.2 All Employees – the Front Page Test

It is important that public confidence in the Group is maintained. It would be damaging to the Group's reputation if the market or the general public perceived that Employees might be taking advantage of their position in the Group to make financial gains (by dealing in securities on the basis of confidential information).

As a guiding principle, Employees and their Connected Persons should ask themselves:

*If the market was aware of all the current circumstances, could the proposed dealing be perceived by the market as the Employee (or Connected Person) taking advantage of his or her position in an inappropriate way? How would it look if the transaction were reported on the front page of the newspaper? (The **Front Page Test**)*

If the Employee is unsure, he or she should consult the General Counsel.

Where any approval is required for a dealing under this Policy, approval will not be granted where the dealing would not satisfy the Front Page Test.

3.3 All Employees – no dealing in blackout periods

Employees and their Connected Persons must not deal in the Company's securities during any of the following blackout periods:

- the period from the close of trading on the ASX on 31 December each year, or if that date is not a trading day, the last trading day before that day, until the day following the announcement to ASX of the full year results;
- the period from the close of trading on 30 June each year, or if that date is not a trading day, the last trading day before that day, until the day following the announcement of the half-yearly results; and
- any other period that the Board specifies from time to time.

3.4 All Employees – exceptional circumstances

If an Employee or their Connected Person needs to deal in securities during a blackout period due to exceptional circumstances and is **not** in possession of any inside information, then, the Employee may apply in writing to:

- the CEO (in the case of Nominated Employees or employees generally);
- the Chair of the Board (in the case of a Director or a Senior Executive); or
- the CEO (in the case of the Chair of the Board).

A waiver will only be granted if the Employee or Connected Person's application is accompanied by sufficient evidence (in the opinion of the Approver) that the dealing of the relevant securities is the most reasonable course of action available in the circumstances.

Exceptional circumstances are likely to include severe financial hardship or compulsion by court order.

If a waiver is granted, the Employee or Connected 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 2 business days.

Unless otherwise specified in the notice, any dealing permitted under this paragraph 3.4 must comply with the other sections of this Policy (to the extent applicable).

3.5 Directors, Senior Executives and Nominated Employees – prior notification required for dealing during trading windows

(a) Subject to the notification process set out in this rule 3.5, Directors and Senior Executives and Nominated Employees may deal in the Company's securities during the following **trading windows**:

- the 4 week period commencing at 10.00am on the next trading day after the announcement to ASX of half-yearly results;
- the 4 week period commencing at 10.00am on the next trading day after the announcement to ASX of the preliminary final statement or full year results;
- the 4 week period commencing at 10.00am on the next trading day after the holding of the Annual General Meeting;
- any period that the Company has a current prospectus or other form of disclosure document on issue under which persons may subscribe for securities; and
- any other period the Board determines.

The Board may at any time determine that a trading window is closed.

- (b) Directors, Senior Executives and Nominated Employees must notify the Company Secretary prior to any dealing during a trading window (including any dealing by their Connected Persons). The Company Secretary will notify the Chair of the Board or the Chair of the Audit Committee (for Directors) or the CEO (for Senior Executives and Nominated Employees).
- (c) Notwithstanding prior notification of a proposed dealing, the Chair of the Board, the Chair of the Audit Committee, the CEO or the Company Secretary (as relevant) may direct the person who is proposing to deal in the Company's Securities not to deal, or to impose conditions on the dealing in their discretion, and is not obliged to provide reasons for any direction or condition.
- (d) Provided no direction is given or contrary condition is imposed, the Director, Senior Executive, Nominated Employee or Connected Person will have 2 business days to enter into the proposed dealing.

3.6 Directors and Senior Executives and Nominated Employees – approval required for dealing outside trading windows

(a) During any period that is not a trading window under section 3.5(a), Directors and Senior Executives and Nominated Employees must, prior to any proposed dealing, notify the Company Secretary and seek approval for the proposed dealing in the Company's securities (including any proposed dealing by one of their Connected Persons) as follows:

- (1) any Senior Executive or Nominated Employee must inform and obtain approval from the CEO before a transaction is undertaken;

- (2) any other Director (other than the Chair of the Board) must inform and receive approval from the Chair of the Board before a transaction is undertaken; and
 - (3) the Chair of the Board must inform and obtain approval from the Board or the Chair of the Audit Committee before a transaction is undertaken.
- (b) A request for approval to trade will be answered as soon as practicable. In all cases, the approved dealing must occur within 2 business days following approval, otherwise the approval is no longer effective and fresh approval must be sought.

3.7 Directors and Senior Executives – confirmation required

Following any trade, Directors and Senior Executives must promptly notify the Company Secretary, ideally by close of business on the day of the trade. This is to assist the Company to comply with its disclosure obligations under the ASX Listing Rules and to manage voting exclusions at its AGM.

4 What other restrictions on dealing apply?

4.1 All Employees – no short-term dealing

Employees and their Connected Persons must not deal in the Company's securities on a short term trading basis. Short term trading includes buying and selling securities on market within a 3 month period, and entering into other short term dealings (for example, forward contracts).

4.2 All Employees – margin lending arrangements

- (a) Any dealing in the Company's securities by Employees or their Connected Persons pursuant to a margin lending arrangement must be conducted in accordance with this Policy. Examples of such dealings include:
- (1) entering into a margin lending arrangement in respect of the Company's securities;
 - (2) transferring securities in the Company into an existing margin loan account; and
 - (3) selling securities in the Company to satisfy a call pursuant to a margin loan.
- (b) Directors and Senior Executives must obtain approval in accordance with the procedure set out in section 3.6 for any proposed dealing in the Company's securities in connection with a margin lending arrangement, irrespective of any trading window.
- (c) The Company may, at its discretion, make any approval granted in accordance with 4.2(b) conditional upon such terms and conditions as the Company sees fit (for example, with regard to the circumstances in which the Company's securities may be sold to satisfy a margin call).

4.3 All Employees – Hedging of company securities

Hedging includes entering into transactions in financial products that operate to limit the economic risk associated with holding Company securities. Hedging of Company securities by an Employee or their Connected Persons is subject to restrictions under the Corporations Act.

Under this Policy, hedging of Company securities by an Employee or their Connected Persons is subject to the following rules:

- (a) the hedge transaction must not be entered into, renewed, altered or closed out when the Employee (or their Connected Person) is in possession of Inside Information;
- (b) Company securities acquired under a director or employee incentive plan must never be hedged prior to the vesting;
- (c) Company securities must never be hedged while they are subject to a holding lock or restriction on dealing under the terms of any employee, executive or director equity plan operated by the Company; and
- (d) Employees are permitted to hedge their vested and unrestricted Company securities provided that the hedge transaction is treated as a dealing in Company securities for the purposes of this Policy, and the relevant approvals and notifications required under section 3 are made on that basis.

5 Are any dealings excluded from this policy?

Paragraphs 3.3, 3.5, 3.6 and 4.1 of this Policy do not apply to:

- (a) participation in an employee, executive or director equity plan operated by the Company. However, where securities in the Company granted under an employee, executive or director equity plan cease to be held under the terms of that plan, any dealings in those securities must only occur in accordance with this Policy;
- (b) the following categories of trades:
 - acquisition of Company securities through a dividend reinvestment plan;
 - acquisition of Company securities through a share purchase plan available to all retail shareholders;
 - acquisition of Company securities through a rights issue; and
 - the disposal of Company securities through the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
- (c) dealings that result in no effective change to the beneficial interest in the securities (for example, transfers of Company securities already held into a superannuation fund or trust of which the Employee or Connected Person is a beneficiary);
- (d) trading under a pre-approved non-discretionary trading plan, where the Employee or Connected Person did not enter into the plan or amend the plan during a blackout period, the plan does not permit the Employee or Connected Person to exercise any influence or discretion in relation to trading under the plan and the plan cannot be cancelled during a blackout period, other than in

- exceptional circumstances (employees must still take care to comply with the law); and
- (e) subject to paragraph 4.2, a disposal of securities of the Company that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement.

However, such dealings remain subject to the insider trading rules in the Corporations Act.

6 What are the rules about insider trading?

Broadly speaking, the law provides that a person who has **Inside Information** about a company (defined below) must not:

- (a) buy or sell securities in a company, or enter in an agreement to buy or sell securities, or exercise options over securities, or otherwise apply for, acquire or dispose of securities (**deal**);
- (b) encourage someone else to deal in securities in that company; or
- (c) directly or indirectly provide that information to another person where they know, or ought to know, that that person is likely to deal in securities or encourage someone else to deal in securities of that company (**tipping**).

These restrictions apply to all securities, not just the Company's securities.

Inside Information is information that:

- is not generally available to the market; and
- if it were generally available to the market, a reasonable person would expect it to have a material effect (upwards or downwards) on the price or value of a security.

Inside Information may include matters of supposition, matters that are not yet certain and matters relating to a person's intentions.

7 When can I deal in securities in other companies?

The prohibited conduct under the Corporations Act includes dealings not only in the Company's securities but also in those of other listed companies with which the Company may be dealing (including the Group's customers, contractors or business partners) where an employee possesses 'inside information' in relation to that other company.

Employees should refer to the *Moelis Australia Group Personal Trading Policy* for further details in relation to the approvals required to trade other listed company securities.

If an Employee or Connected Person is aware of information that is not generally available but which, if it were generally available, a reasonable person would expect to have a material effect on the price or value of a security, that person should not deal in the securities of the companies that it affects.

Employees or Connected Persons may come into possession of 'inside information' where they are directly involved in client relationship management or negotiating contracts. For example, where a person is aware that the Group is about to sign a major

agreement with another company, that person should not buy securities in either the Company or the other company.

If you are in any doubt, consult with the General Counsel.

8 What happens if this policy is breached?

Breaches of the insider trading laws have serious consequences for both the Employee or Connected Person concerned and the Company.

Independently, breaches of this Policy will be regarded by the Company as serious and will be subject to appropriate sanctions.

Any person who is suspected of breaching this Policy may be suspended from attending the workplace on full pay pending the outcome of investigations into the alleged breach.

Any person who breaches this Policy could face disciplinary action (including forfeiture of securities and/or suspension or termination of employment).

9 Who should I contact?

Employees should contact the General Counsel or Company Secretary if:

- they are unsure about whether it is acceptable to deal or communicate with others in relation to the Company's securities or other securities; or
- if they have any other queries about this Policy.