

# **Australian Governance & Ethical Index Fund**

**(ARSN 625 826 646)**

## **Unit Trading Policy**

**RESPONSIBLE ENTITY:**

**WALSH & COMPANY**  
INVESTMENTS LIMITED

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***Walsh & Company Investments Limited (ACN  
152 367 649)  
(AFSL 410 443)***

## Definitions

<b>Act or Corporations Act</b>	Corporations Act 2001 (Cth)
<b>ASX</b>	Australian Securities Exchange operated by ASX Limited
<b>Board</b>	board of Directors
<b>Chairman</b>	chairman of the Board
<b>Fund</b>	Australian Governance & Ethical Index Fund (ARSN 625 826 646)
<b>Company Secretary</b>	secretary of the Responsible Entity of the Fund
<b>Director</b>	director of the Responsible Entity of the Fund
<b>Executive</b>	an executive officer (whether or not a Director) involved in the strategic and operational management of the Responsible Entity and the Fund, including the Secretary
<b>Insider Trading Policy</b>	the Fund's insider trading policy
<b>Listing Rules</b>	the ASX Listing rules as amended from time to time
<b>Responsible Entity</b>	Walsh & Company Investments Limited (ACN 152 367 649) in its capacity as responsible entity to the Fund
<b>Unitholder</b>	holder of units in the Fund

### **1.1. Unit Trading Policy**

The Board has established the following policy to apply to trading in the Fund's units on the ASX. This policy applies to those persons defined below as Restricted Persons of the Fund.

Restricted Persons to whom this policy applies must restrict their buying and selling of Fund's units within the Fund trading window established by this policy.

In addition to the requirements of this Unit Trading Policy, all Restricted Persons (as defined below) must also comply with the Insider Trading Policy for the Fund.

### **1.2. Executive restrictions on trading**

This Unit Trading Policy and the restrictions on trading in units of the Fund set out below applies to the following representatives of the Fund (**Restricted Persons**):

- (a) the Board;
- (b) Directors and Secretary of any entity controlled by the Fund;
- (c) any person who is entitled to receive equity performance rights and/or options as part of any equity incentive based scheme of the Fund;
- (d) the Secretary; and
- (e) Executives.

The Restricted Persons are to be subject to restrictions on trading in the Fund's units at certain times of the year. Restrictions also apply where any Restricted Person is exposed to inside information in the course of their duties in accordance with the Insider Trading Policy.

### **1.3. Associated Parties**

Each Restricted Person has a personal responsibility to ensure that his or her "associated parties" (being immediate family (including a spouse (or equivalent) or dependent), family company or trust) complies with the same respective restrictions as apply to Restricted Persons.

### **1.4. Prohibition on Executives dealing in units**

In addition to the overriding prohibition on dealing when a person is in possession of inside information in accordance with the Insider Trading Policy, Restricted Persons and their associated parties are prohibited (unless otherwise agreed to by the Board) from dealing in units during:

- (a) each period between the end of the annual reporting period and 48 hours immediately after the date upon which the Fund releases its annual financial statements to the ASX;
- (b) each period between the end of the half yearly reporting period and 48 hours immediately after the date upon which the Fund releases its half-yearly financial statements to the ASX;
- (c) each period of 30 days immediately prior to the intended date upon which the Fund holds a Security Holders meeting;
- (d) the first 14 calendar days of each month, prior to the announcement of the Fund's NTA and

- (e) each period 48 hours immediately after the date upon which the Fund issues an ASX announcement of the Fund's financial results or the holding of a Security Holders' meeting.

For the avoidance of doubt, it is emphasised that Restricted Persons may not deal at any time whilst in the possession of "inside Information".

### **1.5. Board of Directors' discretion**

The Board has an absolute discretion to place an embargo on Restricted Persons and/or employees and/or their respective associated parties trading in the Fund's securities at any time.

### **1.6. Notification rules in relation to dealing in units**

Restricted Persons are required to notify the Fund of intended dealings in securities, by themselves or their associated parties, of the Fund prior to such intended dealings. This should be done by written notice to the Company Secretary outlining:

- (a) name of security holder;
- (b) type of proposed transaction (purchase, sale, etc.); and
- (c) number of securities involved.

The Company Secretary may confer with the Chairman of the Boards in relation to any proposed dealing.

### **1.7. Directors to notify ASX of unitholding**

The Directors of the Fund are required to complete, or request that the Secretary complete necessary forms to the Fund to be filed with the ASX in respect of their unitholding in the Fund for the purposes of section 205G of the Corporations Act and the Listing Rules.

### **1.8. Exceptional Circumstances**

Where, in exceptional circumstances, and it is the only reasonable course of action available to a Restricted Person (e.g. a pressing financial commitment that cannot be satisfied otherwise) clearance may be given for the Restricted Person to sell (but not to purchase) units in the Fund when that person would otherwise be prohibited from doing so.

In this section 1.8, "exceptional circumstances" means severe financial hardship, a court order (or court enforceable undertaking), or some other overriding legal or regulatory requirement, to transfer or sell units in the Fund, or other circumstances that may be deemed exceptional by the Board. For example, a Restricted Person may be in severe financial hardship if he or she has a pressing financial commitment that cannot otherwise be satisfied.

The Board may not give clearance under the exception in section 1.8 if there is a matter about which there is inside information in relation to units in the Fund (whether or not the Restricted Person knows about the matter) when the Restricted Person requests clearance or proposes to deal in units in the Fund.

The Board will decide if circumstances are exceptional. Any clearance given by the Board in accordance with section 1.8 must be in writing (which may be in the form of an email). The Board must determine, and specify in the written clearance, the maximum duration of the clearance. Trading not subject to this Trading Policy

The following dealings are not subject to the provisions of this Unit Trading Policy in respect of the Fund:

- (a) undertakings or elections to take up entitlements under a rights issue or other offer (including an offer of units in lieu of a cash dividend);
- (b) the take up of entitlements under a rights issue or other offer (including an offer of units in lieu of a cash dividend);
- (c) allowing entitlements to lapse under a rights issue or other offer (including an offer of units in lieu of a cash dividend);
- (d) the sale of sufficient entitlements to allow take up of the balance of the entitlements under a rights issue;
- (e) undertakings to accept, or the acceptance of, a takeover offer or pursuant to a scheme of arrangement implemented in accordance with section 411 of the Corporations Act;
- (f) transfer of units arising out of the operation of an employee scheme into a savings scheme investing only in securities of the Fund following:
  - (i) the exercise of an option under a savings related units option scheme; or
  - (ii) release of units from a profit sharing scheme;
- (g) the cancellation or surrender of an option under an employee scheme;
- (h) the purchase of units or the communication of information pursuant to a requirement imposed by law;
- (i) transfers of units by an independent trustee of an employee units scheme to a beneficiary who is not a person;
- (j) bona fide gifts to a Director by a third party;
- (k) transfers of securities of the entity already held into a superannuation fund or other saving scheme in which the Restricted Person is a beneficiary;
- (l) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the entity) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (m) where a Restricted Person is a trustee, trading in the securities of the entity by that trust provided the Restricted 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 restricted person; and
- (n) 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 and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue.