Beforepay Group Limited

ASX ANNOUNCEMENT (ASX: B4P)

21 October 2022

Securities Trading Policy

Beforepay Group Limited (Beforepay or the Company) (ASX: B4P) advises that it has amended its Securities Trading Policy. In accordance with ASX Listing Rule 12.10, the updated Securities Trading Policy is annexed to this announcement.

This announcement has been authorised for release to the ASX by the Joint Company Secretary.

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About Beforepay

Beforepay was founded in 2019 to offer consumers a better way to manage their personal finances by enabling early access to a portion of their pay, on-demand, in exchange for a single fixed fee. For more information visit **www.beforepay.com.au**.

Securities Trading Policy

For Beforepay Group Limited
ACN 633 925 505

Beforepay Group Limited ACN 633 925 505 (**Company**)

1 Introduction

1.1 General

Pursuant to the Corporations Act and Listing Rules, the Directors, Management Team and certain other persons nominated by the Board are restricted from trading in Securities under certain circumstances and are subject to the Insider Trading prohibitions.

This document sets out the Securities Trading Policy for the Company.

1.2 Policy overview

This document outlines:

(a) when the Management Team (including Directors) and certain other employees nominated by the Board may Trade;

(b) how to apply for approval to Trade during a Prohibited Period; and

(c) potential sanctions for a breach of the Insider Trading prohibitions.

2 Definitions and interpretation

2.1 Definitions

In this document, unless otherwise specified, capitalised terms have the meaning set out below:

"**ASX**" means ASX Limited ACN 008 624 691 or the exchange operated by it, as the context requires.

"**Authorised Trade**" means a Trade authorised under paragraph 5.3.

"**Blackout Periods**" means the following closed periods:

(a) the period commencing 28 January and ending at the beginning of trading one day following the release of the Company's half-yearly results to the ASX;

(b) the period commencing 31 July and ending at the beginning of trading one day following the release of the Company's full year results to the ASX;

(c) the period commencing on the date that is five trading days immediately preceding the release of the Company's quarterly results and ending at the beginning of trading one day following the release of the Company's full year results to the ASX;

(d) any additional periods determined by the Board, the CEO or the CRO and GC from time to time.

"**Board**" means the Company's board.

"**Chair**" means the chairperson of the Board.

"**CEO**" means the executive officer (by whatever title known, whether chief executive officer, managing director or otherwise) with delegated day-to-day responsibility for the strategic and operational management of the Company.

"**Company**" means Beforepay Group Limited ACN 633 925 505 and, as the context requires, its controlled entities.

“**Corporations Act**” means *Corporations Act 2001* (Cth).

“**CRO and GC**” means the chief risk officer and general counsel of the Company.

“**Designated Officer**” means a person who is assigned the role of ‘Designated Officer’ for this Policy by the Board.

“**Director**” means a director of the Company.

“**Excluded Trade**” or “**Excluded Trading**” means Trading in circumstances set out in paragraph 5.4.

“**Inside Information**” has the meaning given to that term in section 1042A of the Corporations Act.

“**Insider Trading**” has the meaning given to that term under Part 7.10, Division 3 of the Corporations Act.

“**KMP**” means key management personnel as defined by the ASX Listing Rules.

“**Listing Rules**” means the listing rules of the ASX.

“**Management Team**” means the Directors, CEO, other KMPs, and any other persons (including senior executives) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.

“**Policy”** or “**Securities Trading Policy”** means the policy contained in this document or in any amending or replacement document.

“**Prohibited Period**” means any period inside a Blackout Period.

“**Restricted Person**” means a person to whom this Policy applies being the Management Team, all employees and any other person nominated by the Board under paragraph 6.1.

“**Secretary**” means the secretary of the Company.

“**Securities**” include securities of any kind including ordinary shares, preference shares, debentures, convertible notes, options and hedging mechanisms or derivative instruments.

“**Security Holder**” means a registered holder of Securities.

“**Trade**” means to apply for, acquire or dispose of Securities or to enter into an agreement to apply for, acquire or dispose of Securities or to grant, accept, acquire, dispose, exercise or discharge an option or other right or obligation to acquire or dispose of Securities, and **Trading** has a corresponding meaning.

“**Trader**” means a Restricted Person who Trades**.**

2.2 Interpretation

Concepts not defined in this document but which have a meaning in the Corporations Act or the Listing Rules have that same meaning in this document.

3 Securities covered by this policy

3.1 Company Securities

This Policy applies to all Securities issued by the Company.

3.2 Other companies

This Policy also applies to the Securities of other companies:

(a) in relation to the prohibition on Insider Trading;

(b) which are either a joint venture partner of the Company or for which the Company has made (or is planning to make) a takeover offer; or

(c) under paragraph 3.3.

3.3 Trading in other companies' Securities

(a) Trading by a Restricted Person in the Securities of other companies in which the Company has a substantial interest (5% or more) is subject to this Policy.

(b) This Policy does not affect the operation of the law, in particular the prohibition against Insider Trading, applying to a Restricted Person if they had Inside Information concerning another company.

3.4 Margin loans by Directors

(a) Directors must obtain the Board’s approval before entering into a margin loan or similar arrangements concerning Securities.

(b) Where a Director has entered into margin loan or similar funding arrangements for a material number of Securities, the Company may need to disclose the key terms of the arrangements, including the number of Securities involved, the trigger points, the right of the lender to sell unilaterally and any other material details.

(c) Whether a margin loan arrangement is material under the Listing Rules is a matter which the Company must decide having regard to the nature of its operations and its particular circumstances.

4 Insider trading

4.1 Prohibited conduct

If a person has Inside Information in relation to a company and knows, or ought reasonably to know, that the information is Inside Information, that person must not:

(a) Trade in that company’s Securities;

(b) procure another person to Trade in that company’s Securities; or

(c) communicate the information, directly or indirectly, to another person who the person knows, or ought reasonably to know, is likely to Trade in those Securities or procure another person to Trade in those Securities.

4.2 Consequences of Insider Trading

(a) Insider Trading is a criminal offence.

(b) Persons Trading with Inside Information risk prosecution, punishable by substantial fines or imprisonment or both, under the Corporations Act.

(c) The Company may also be liable if a Restricted Person engages in Insider Trading.

(d) Insider Trading is subject to the civil penalty provisions under the Corporations Act which empower a court to impose substantial pecuniary penalties, order payment of compensation to persons who suffer loss or damage as a result of the Insider Trading and make a disqualification order.

(e) In addition to any consequence under the Corporations Act, Insider Trading breaches this Policy. Breaches will be treated seriously by the Company and may attract disciplinary action, including termination of employment for any Restricted Person involved.

4.3 Prohibition

Insider Trading is prohibited at all times and applies to Securities of other entities other than the Company or its subsidiaries if you possess Inside Information about those entities.

4.4 What is Inside Information

(a) Inside Information is information that:

(i) is not generally available; and

(ii) if it were generally available:

(iii) a reasonable person would expect it to have a material effect on the price or value of the Securities in question; or

(iv) would, or would be likely to, influence persons who commonly invest in Securities in deciding whether to acquire or dispose of the Securities in question.

(b) Information is generally available if it:

(i) is readily observable;

(ii) has been made known in a manner likely to bring it to the attention of persons who commonly invest in Securities of the relevant type and a reasonable period for that information to be disseminated has elapsed since it was made known; or

(iii) consists of deductions, conclusions or inferences made or drawn from information falling under paragraphs 4.4(b)(i) or 4.4(b)(ii).

5 Securities trading

5.1 Prohibited Trading

A Restricted Person must not:

(a) Trade if they have Inside Information;

(b) Trade during a Prohibited Period (unless it is an Excluded Trade or an Authorised Trade);

(c) Trade for short term or speculative gain (the Company considers “short term” to be a period of 6 months or less);

(d) engage in short-selling in respect of the Company’s securities;

(e) engage in transactions designed to hedge their exposure to the Company’s securities;

(f) enter into margin lending or other secured financing arrangements in respect of Company Securities, unless the prior approval of the Board (or its delegate) has been obtained; or

(g) Trade for more than $50,000 worth of Securities to any party if written approval from the Chair is not obtained, covering the form of and timing of the sale, and the management of its public disclosure, before entering into discussions for the potential sale of those Securities.

5.2 Permitted Trading by a Restricted Person who is not a member of the Management Team

A Restricted Person who is not a member of the Management Team may Trade if:

(a) they do not have Inside Information;

(b) it is not during a Prohibited Period; and

(c) it is not for short term or speculative gain.

5.3 Permitted Trading by a Restricted Person who is a member of the Management Team

A member of the Management Team may not Trade at any time unless they obtain prior written approval from:

(a) the Chair, in the case of the members of the Board and the CEO;

(b) in the case of the Chair, a Director chosen by the Board for that purpose (**Chosen Director**) or the CEO if there is no Chosen Director; or

(c) the CEO, in the case of the CFO and other senior executives.

Approval will only be granted for Trades proposed to be made outside of a Prohibited Period or in the exceptional circumstances set out in paragraph 5.5 below (to the extent applicable). To obtain approval, members of the Management Team must send an email to the Chair, Chosen Director or CEO, as applicable, setting out the details of the potential Trade and whether it will occur outside of a Prohibited Period or whether exceptional circumstances justify the Trade. The Chair, the Chosen Director or the CEO, as applicable, will notify the member of the Management Team whether the request has been granted by return email.

If granted, the approval will last:

(d) for an approval to deal in shares outside of a Prohibited Period, until the commencement of a Prohibited Period; or

(e) for an approval to deal in shares due to exceptional circumstances, for 7 days from the day the approval was granted.

5.4 Excluded Trading

Subject to any requirements of applicable law, this Policy does not apply to:

(a) transfers of Securities already held by a Restricted Person into a superannuation fund or other saving scheme in which the Restricted Person is a beneficiary;

(b) where a Restricted Person is a trustee, Trading by that trustee 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;

(c) undertakings to accept, or the acceptance of, a takeover offer;

(d) Trading under an offer or invitation made to all or most of the Security Holders, such as a pro-rata 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 (which 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);

(e) disposals by a secured lender exercising their rights, for example, under an approved margin lending arrangement;

(f) acquisition of securities under an employee incentive scheme;

(g) the exercise (but not the sale of Securities following exercise) of an option or a 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;

(h) Trading under a non-discretionary trading plan for which prior written approval has been provided in accordance with this Policy provided the Restricted Person did not enter into the plan or amend the plan during a Prohibited Period and the trading plan does not permit the Restricted Person:

(i) to exercise any influence or discretion over how, when, or whether to Trade; or

(ii) 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.

5.5 Exceptional circumstances

(a) Written approval for exceptional circumstances referred to in paragraph 5.3 will only be granted if:

(i) the Trade is not, or would not be:

(A) contrary to law;

(B) for short term or speculative gain;

(C) to take advantage of Inside Information; or

(D) seen by the public, press, other Security Holders or ASX, as unfair; and

(ii) exceptional circumstances exist justifying the exercise of the discretion to issue the written approval.

(b) Exceptional circumstances include where the Trade is necessary:

(i) to sell Securities to realise cash in a time of exceptional financial hardship (excluding a tax liability);

(ii) to comply with the requirements of a Court order or enforceable undertaking; or

(iii) because delaying the Trade to the next permitted period would:

(A) cause greater exceptional financial hardship;

(B) be exceptionally detrimental to the family's affairs; or

(C) be a breach of a Court order.

(c) Any written approval must state the period for which the authority for Trading is given.

(d) Despite any authority given under this Policy, the responsibility for Trading rests with the individual Trader.

5.6 Guidance for written approval

A person authorised to provide written approval in the form set out at Annexure A or substantially similar under this Policy must only provide such approval in accordance with the law and in a responsible and sensible manner having regard to the purpose of this Policy and having regard to desirable protocols to be followed to prevent Trading inside Prohibited Periods (except in exceptional circumstances) and protocols regarding Inside Information or the public perception that Insider Trading may have occurred by reason of this Policy not being adhered to.

For the avoidance of doubt, in relation to approvals granted under this Policy:

(a) any clearance to Trade can be given or refused by the Company in its discretion, without giving any reasons;

(b) a clearance to Trade can be withdrawn if new information comes to light or there is a change in circumstances;

(c) the Company's decision to refuse clearance is final and binding on the person seeking the clearance; and

(d) if clearance to Trade is refused, the person seeking the clearance must keep that information confidential and not disclose it to anyone.

5.7 Trading by Directors

(a) Each Director must notify the Secretary of any Trading by that Director so as to facilitate the timely lodgement with ASX of an Appendix 3Y or other prescribed form notifying ASX of the initial acquisition, change in or cessation of Directors' interests as required by the Listing Rules.

(b) Each Director's disclosure obligations in relation to their notifiable interests are set out in a director's disclosure deed (required by Listing Rule 3.19B).

(c) The Secretary will maintain a register of:

   (i) all requests for clearance to Trade under this Policy and the Board, Chair, Chosen Director or CEO's decision on such applications; and

   (ii) all notifications and acknowledgements given in relation to Trading in the Company's Securities.

5.8 Informing the Company of Trades

(a) Each Trader must notify the Secretary of the details of completed transactions within 14 days after each transaction. Notification is necessary whether or not prior authority was required.

(b) The Secretary must maintain a register of Securities transactions under this Policy.

6 Persons covered by this Policy

6.1 Restricted Persons

The Board may nominate persons to be included as a Restricted Person. Those persons must be informed of their nomination and be listed in a schedule maintained by the Designated Officer.

6.2 Families and trusts

If a Restricted Person is prohibited from Trading under this Policy, that person must use their best endeavours to prohibit any Trading by:

(a) any related party (including family members, nominee companies and family trusts); or

(b) any investment manager on their behalf or on behalf of a related party.

6.3 Trustees

A Restricted Person who is a trustee of a deceased estate should inform any co-trustees or trust beneficiaries of his or her relationship with the Company and the restrictions on his or her ability to give advice in respect of Securities covered by this Policy.

7 Review

The Board will review this Policy from time to time.

8 Policy information

Policy status: Approved.

Approval Body: Board of Directors

Policy Maintained by: Company Secretary

Policy Contact: Company Secretary

Version No.	Approved by	Effective Date	Description of changes
1.0	Board of Directors	20 September 2021	Original version.
2.0	Board of Directors	20 October 2022	Changed to update the policy to allow for “Blackout Periods” rather than only being able to trade during “Trading Windows”.

Annexure A

[*date*]

To: Beforepay Group Limited (**Company**)

From:

TRADING OF COMPANY SECURITIES

In accordance with the Company' Securities Trading Policy, I give notice that I am proposing to Trade in Company Securities in the following manner:

…….
(*insert description*)

The number of securities that I propose to Trade is ……………………..

The transaction will be carried out:
- ▭ on-market
- ▭ off-market

I confirm that I do not have any inside information and will comply with the balance of the Company's Securities Trading Policy in relation to my Trading.

I agree to notify the Company Secretary of the results of this action for the purposes of disclosure in the annual report or to ASX.

Please confirm that I am cleared to Trade in Company Securities.

………………………………………
[Restricted Person/Associate]
Name:
Date:

I confirm that subject to you not obtaining any Inside Information, you are authorised to Trade in Company Securities either:

- if it is outside of a Prohibited Period, until the beginning of a Prohibited Period; or
- if it is within a Prohibited Period, within a 7day window starting on the date this letter is countersigned by the Authorised Officer.

……………………………………..
Authorised Officer
Name:
Date: