



18 June 2016

Luxmy Wigneswaran
Principal Adviser, Listings Compliance (Sydney)
ASX Compliance Pty Ltd
20 Bridge Street
Sydney NSW 2000

Dear Ms Wigneswaran

Vocation Limited (VET) – Securities Trading Policy

In accordance with ASX Listing Rule 12.10, attached is a new Securities Trading Policy adopted by the Vocation Board of Directors on 16 June 2015.

Yours sincerely
VOCATION LIMITED

A handwritten signature in black ink, appearing to read "E. Lawler".

Emma Lawler
Company Secretary
Vocation Limited

VOCATION LIMITED

SECURITIES TRADING POLICY



VOCATION



1. Introduction

1.1 Vocation Limited (the **Company** or **Vocation**) Securities Trading Policy (**Policy**) as required by the Australian Securities Exchange (**ASX**) Listing Rules sets guidelines for:

- a) when Directors, officers, senior management, other employees, consultants and contractors of the Company (and any family member or associate over whom they have influence) may deal in the Company's Securities, including restrictions on margin loans and anti-hedging;
- b) when Directors, officers, senior management, other employees, consultants and contractors of the Company may deal in listed securities of another entity (because they may obtain inside information about another entity's securities while performing their duties for the Company); and
- c) procedures to reduce the risk of insider trading.

1.2 Vocation Securities includes listed shares in Vocation Limited, a right to shares, options over shares and any other financial products of Vocation Limited traded on any securities exchange.

1.3 The Policy is aimed at ensuring that all Personnel (defined in clause 2) comply with the law at all times and their dealings in Securities and inside information are within both the letter and the spirit of the law, and meet industry practice and market expectations. The Policy also assists Vocation in its disclosure and reporting obligations, while maintaining and promoting Vocation's reputation.

Vocation recognises the primacy of the insider trading laws and the importance of managing both regulatory and reputational risk. Any perception that directors or employees may have traded on the basis of an unfair advantage and/or breached their legal obligations could have a significant impact on the personal reputation of those persons, and negatively affect the Company's standing in the market. Therefore the purpose of this Policy is to both manage the risk of insider trading, and to avoid any perception of insider trading and the significant reputational harm that may cause. The Policy will be administered and communicated to Personnel in accordance with its purpose.

1.4 For the purposes of this Policy, **dealing** includes, without limitation, securities transactions such as transfers of beneficial ownership and trading (either directly or indirectly).

2. Who does this Policy apply to?

2.1 This Policy applies to:

- all Executive and Non-Executive Directors, officers, employees, contractors and consultants (collectively, **Personnel**) of the Company, and its subsidiaries; and



- in relation to Blackout Periods (see section 5.2), Directors and Senior Executives (Senior Executives being direct reports to the Managing Director, and those persons' direct reports) (collectively, **Designated Persons**) of the Company and its subsidiaries (and any family member or associate over whom they have influence).

2.2 Designated Persons

Designated Persons are routinely in possession of Inside Information (which, if generally available would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the Company's Securities).

As such, Designated Persons (or any family member or associate over whom they have influence) are prohibited from dealing in the Company Securities during a Blackout Period.

3. **Insider Trading – the Law**

- 3.1 The principal insider trading prohibition in Australian law is contained in section 1043A of the *Corporations Act 2001 (Cth)*.

Inside Information is information relating to the Company that is not generally available but, if the information was generally available, a reasonable person would expect that information to have a material effect on the price or value of the Company's Securities. Further detail on Material Information is included in the Company's Continuous Disclosure Policy.

Section 1043A prohibits a person (an Insider) who is in possession of Inside Information from:

- a) applying for, acquiring, disposing of or entering into an agreement to apply for, acquire or dispose of the Company's Securities;
- b) procuring another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of the Company's Securities; or
- c) directly or indirectly communicating the Inside Information to another person when the Insider knows, or ought reasonably to know, that the other person would or would be likely to:
 - i) apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of the Company's Securities; or
 - ii) procure another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of the Company's Securities.

- 3.2 Insider trading is a criminal offence. It is punishable by substantial fines or imprisonment or both. A company may also be liable if an employee or Director engages in insider trading.

- 3.3 Insider trading may also attract civil penalties. A court may impose substantial pecuniary penalties for insider trading and order payment of compensation to



persons who suffer loss or damage because of insider trading.

3.4 Information is generally available if it:

- a) is readily observable; and
- b) has been made known in a manner (e.g. released to the ASX) likely to bring it to the attention of persons who commonly invest in Securities and a reasonable period for that information to be disseminated has elapsed since it was made known.

3.5 Outside a Blackout Period (see section 5.2), the laws prohibiting insider trading continue to apply to Personnel. The fact that a Company is not in a Blackout Period does not mean a Personnel member is not in possession of inside information. A person may possess inside information notwithstanding that dealing by employees is generally permitted, and if this is the case, a person should not deal in the Company's Securities.

3.6 Similarly, Personnel should be aware that the insider trading laws apply even where a person has been given clearance to deal under this Policy, and a clearance to deal will not absolve a person from a breach of the insider trading laws. If a person is in possession of inside information, any dealing in the relevant securities will be a breach of the insider trading provisions.

4. When Personnel May Deal in Securities

Dealing in the Company's Securities includes but is not limited to buying, selling and transferring the Company's Securities.

Personnel (who are not Designated Persons) may deal in Vocation Securities or the listed Securities of another entity if he or she does **not** have information that he or she knows, or ought reasonably to know, is Inside Information in relation to Vocation Securities or those Securities of the other entity.

5. When Personnel May Not Deal In Securities

5.1 Personnel (who are not Designated Persons) must **not** deal or procure a third party to deal in Vocation Securities if he or she has information that he or she knows, or ought reasonably to know, is Inside Information in relation to Vocation Securities.

5.2 Blackout Periods

No trading in the Company Securities may occur during a Blackout Period without the permission of the Chief Executive Officer (**CEO**) (or in the case of the CEO, the Chairman or in the case of the Chairman, the Board or Chair of the Remuneration and Nomination Committee). Permission will ordinarily only be granted in exceptional circumstances (refer to section 6).

Outside a prohibited Blackout Period, the laws prohibiting insider trading continue to apply to Designated Persons. Refer to section 3 of this Policy for further details.

Unless the Chairman and CEO otherwise direct, in their absolute discretion, Blackout Periods will occur at the following times:

Circumstance	Black Out Period
Release of Full Year results to ASX	2 weeks before release until start of the next trading day following release
Release of Half Year results to ASX	2 weeks before release until start of the next trading day following release
Annual General Meeting (AGM)	2 weeks before date of the AGM until start of the next trading day following the AGM
Disclosure document (e.g. prospectus)	2 weeks before the release of a disclosure document until start of the next trading day following release

5.3 Additional Blackout Periods

The Company may also determine that certain additional periods are Blackout Periods for the purposes of this Policy, including when the Company is considering matters subject to ASX Listing Rule 3.1A (**Additional Blackout Periods**). The Chairman and CEO will notify Additional Blackout Periods to Designated Persons, and Personnel if applicable. The Chairman and CEO will consider the application of Additional Blackout Periods on a regular basis.

In determining whether or not an Additional Blackout Period will either apply or cease, the Chairman and CEO may request all Designated Persons to confirm to the Company Secretary whether they are aware (as defined in the ASX Listing Rules) of any Inside Information.

- 5.4 In exceptional circumstances, permission to trade may be granted during a Blackout Period (see sections 6 and 7).

6. **Exceptional Circumstances**

Any Designated Person, who is not in possession of Inside Information affecting Securities, may be given prior written approval to sell or otherwise dispose of Securities during a Blackout Period where there are exceptional circumstances. Exceptional circumstances may include:

- a) severe financial hardship and the Designated Person can **only** meet their financial commitments by selling the Securities. A tax liability would not normally constitute severe financial hardship, including a tax liability relating to securities received under an employee incentive plan;
- b) if a Designated Person is required by a court order, or there are court enforceable undertakings to transfer or sell the Securities or there is some other overriding legal or regulatory requirement for the Designated Person to do so; or
- c) a situation determined by the Chairman (or in the case of the Chairman the lead independent director) to be an exceptional circumstance.



7. Dealing in Vocation Securities – Approval Requirements for Designated Persons

7.1 The following procedures apply to Designated Persons who wish to deal in Vocation Securities during a Blackout Period:

- a Designated Person (or a family member or associate over whom they have influence) must provide the Chairman (or in the case of the Chairman, an Independent Non-Executive Director) with a notice in writing (which may be by email), requesting permission to deal in Vocation Securities, including any reasons for the request (see section 6);
- a Designated Person must not deal in Vocation Securities unless they have received permission in writing (which may be by email) from the Chairman;
- a Designated Person must effect the instructions to deal within 2 days of receiving permission, and the dealing must be executed within that period;
- permission to deal may be withdrawn if new information arises, or if there is a change in circumstances. The Designated Person will be notified of any withdrawal in writing (which may be by email); and
- if the dealing is not executed within the 2 day period, the permission to deal lapses, and the Designated Person must submit a further request to the Chairman for permission to deal.

7.2 Permission to deal is at the discretion of the Chairman, and may be given or refused without providing any reasons.

7.3 When considering a request from a Designated Person for permission to deal in accordance with section 7.2, the Chairman will take into account a range of factors to determine if the risk of insider trading, or the appearance of insider trading is not a concern. These factors include but are not limited to whether:

- the Company is about to release a periodic report or other financial information that the market may not expect;
- the Company will shortly release market sensitive information under ASX Listing Rule 3.1;
- the Company is considering a matter that is subject to ASX Listing Rule 3.1A; and
- the Designated Person has access to or is likely to have access to other material information that has not been released to the market.

More generally, the Chairman will consider the specific circumstances of a request as a whole, in light of the underlying purpose of this Policy, to both minimise the risk of insider trading and avoid any appearance of insider trading and possible reputational damage. The Chairman may seek professional advice to assist in making any decision. In most circumstances if the Company is about to release information that falls into the categories set out above, the Chairman will not grant permission to deal.



- 7.4** A refusal to grant permission to deal is final and binding on the person seeking the permission. If permission is refused, the person must keep that information confidential and not disclose it to anyone, to ensure that the Company manages its disclosure obligations in accordance with its policies, the ASX Listing Rules and the Law.
- 7.5** The Chairman must follow the same procedures set out above in relation to any proposed dealing by the Chairman in Vocation Securities, but permission must be sought from an Independent Non-Executive Director.
- 7.6** A copy of the request made in accordance with section 7.1 will be sent to the Company Secretary for the official file (refer to section 12.1).

8. Excluded Trading

Trading that is excluded from the restrictions in this Policy includes:

- transfers of Securities already held into a superannuation fund or other saving scheme in which the member of Personnel is a beneficiary;
- an investment in, or trading units of, a fund or other scheme (other than a scheme only investing in the Company's Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- where a Designated Person is a trustee, trading in Securities by that trust provided the Designated Person is not a beneficiary of the trust and any decision to trade during a Blackout Period is taken by the other trustees or by the investment managers independently of the Designated Person;
- undertakings to accept, or the acceptance of, a takeover offer;
- 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 investment plan (**DRP**) and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board;
- a disposal of securities of the entity that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement that has been approved following section 9 of this Policy; and
- 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 Blackout Period and where the Designated Person could not reasonably have been able to exercise at a time when free to do so; and
- 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:



- the Designated Person did not enter into the plan or amend the plan during a Blackout Period; and
- the trading plan does not permit Designated Persons to exercise any influence or discretion over how, when, or whether to trade.

9. Restrictions on Margin Loans

Margin lending poses special risks to the compliance of Designated Persons with this Policy, particularly where the terms of the margin lending arrangements may place the Designated Person in a position of conflict with their obligations under this Policy and/or with the insider trading laws (for example, if a call is made under the arrangements, which results in the Company's securities being sold while the Designated Person possesses inside information).

Without prior approval in the manner set out in section 6, Designated Persons must not enter into agreements that provide lenders with rights over their interests in Vocation securities (e.g. for the disposal of Vocation Securities or options that is the result of a secured lender exercising their rights under a margin lending agreement).

10. Anti-hedging Policy

Directors and Senior Executives are not permitted to enter into transactions with Securities (or any derivative thereof) in associated products which limit the economic risk of any unvested entitlements under any equity-based remuneration schemes awarded under any equity-based remuneration scheme currently in operation or which will be offered by the Company in the future. However, Directors and senior executives will consult with the Chairman if they are considering, or if they are not sure, as to whether entering into transactions may limit the economic risk of unvested entitlements they may have.

11. Disclosure to ASX

11.1 ASX Listing Rule 12.9 requires this Policy to be disclosed to the ASX. Where Vocation makes a material change to this Policy, the amended policy must be provided to ASX within 5 business days of the material changes taking effect, in accordance with ASX Listing Rule 12.10.

11.2 In addition, if a change to a notifiable interest of a Vocation Director occurs during a Closed Period, Vocation must tell ASX (in its Appendix 3Y filing) that this is the case, whether prior written clearance for the relevant dealing was provided and the date of such clearance.

12. Breaches of this Policy

12.1 Vocation has established processes to ensure Personnel are aware of, and understand their obligations under this Policy, and to monitor and enforce compliance with the Policy. The Company Secretary is responsible for maintaining a register of all requests for permission to deal under this Policy, decisions relating to those requests, and any relevant trades.

12.2 Measures in addition to these described in section 12.1 include:



- Personnel are provided with a copy of this Policy and any amendments to the Policy;
 - sending email reminders of the start and finish dates for Blackout Periods, one week before commencement of the period and immediately before commencement; and
 - Designated Persons are required to provide annual written confirmation that they are aware of and understand this Policy and are in compliance with the Policy.
- 12.3** All Personnel must comply with the principles and requirements of this Policy. Failure to comply may result in the relevant staff member being subject to disciplinary action, including possible dismissal. The Company may require any person who has acquired securities in breach of this policy to sell those securities as soon as possible within the requirements of the law, and donate any profit from the sale to charity.
- 12.4** As described in sections 3.2 and 3.3, a breach of this Policy may also result in exposure to potential civil or criminal liability under applicable laws and regulations.
- 13. Review of this Policy**

This Policy will be reviewed regularly by the Company's Directors having regard to the changing circumstances of the Company and any changes to this Policy will be notified to affected persons in writing. If Directors and Senior Executives have any comments or views concerning the operation or effectiveness of this Policy, they should be communicated to the Company Secretary.

