

**PERPETUAL
EQUITY
INVESTMENT
COMPANY
LIMITED**

ACN 601 406 419

Perpetual Equity Investment
Company Limited
ABN 68 601 406 419

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17 August 2015

The Companies Office
ASX Limited
Level 6
Exchange Centre
20 Bridge St
SYDNEY NSW 2000

Dear Sir/Madam

**PERPETUAL EQUITY INVESTMENT COMPANY LIMITED (ASX CODE: PIC)
LODGEMENT OF SECURITIES TRADING POLICY**

In accordance with Listing Rule 12.9, attached is Perpetual Equity Investment Company's updated Securities Trading Policy, as approved by the board on 17 August 2015.

Yours sincerely

Sylvie Dimarco
Company Secretary
Phone: 02 9229 9000

SECURITIES TRADING POLICY

PURPOSE

- 1 This Policy aims to minimise the risk of a Restricted Person engaging in dealings in securities which breach, or have the potential to breach or be perceived to breach, the prohibitions on insider trading contained in the Corporations Act 2001 (Cth) and aims to increase transparency with respect to dealings in securities of the Company by Restricted Persons.
- 2 Each Restricted Person is required to conduct their personal investment activity in a lawful way which promotes shareholder and general market confidence in the Company and in the trading of the Company's securities. Restricted Persons will often be perceived to be in possession of price sensitive information, and any suggestion that they have breached the insider trading obligations could have a significant impact on their personal reputation and the reputation of the Company. Each Restricted Person should manage (including, where necessary avoid) possible, actual or perceived conflicts of interest between their personal interests and the interests of the Company while they possess price sensitive information.

SCOPE

- 3 This Policy applies to dealing in securities of the Company by each Restricted Person.

DEFINITIONS

ASX means Australian Securities Exchange.

Company means Perpetual Equity Investment Company Limited ACN 601 406 419.

deal in securities means buy, sell or enter into transactions in relation to shares, options or other securities in the Company or financial products issued or created over or in respect of securities in the Company. It includes procuring another person (directly or indirectly) to do any of these things.

price sensitive information means information which is not generally available to the public and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

generally available information means information which is:

- (a) readily observable;
- (b) made known in a manner that would, or would be likely to, bring it to the attention of people who commonly invest in the Company's securities or securities of a kind similar to the Company's securities, and a reasonable period has elapsed to allow the information to be disseminated; or
- (c) able to be deduced, concluded or inferred from those types of information.

Prohibited Period means all times outside of the periods mentioned in paragraph 6.1, and any other period that the Board specifies from time to time.

Restricted Person means the key management personnel of the Company and the Company Secretary from time to time, and any other person who has been advised by the Company Secretary that they are a Restricted Person for the purposes of this policy.

severe financial hardship means a pressing financial commitment that cannot be satisfied otherwise than by selling securities of the Company.

WHAT IS INSIDER TRADING?

- 4 Dealings in securities by a person who is in possession of price sensitive information could contravene the Corporations Act 2001 (Cth) and expose the person to civil and criminal liability. All personnel are prohibited in all circumstances from dealing in securities if they are in possession of price sensitive information regarding the Company and its securities. Personnel are also prohibited from dealing in the securities of another listed company when they are in possession of price sensitive information about that company and its securities.
- 5 Personnel must not communicate price sensitive information to a person who may deal in securities of the Company. In addition, anyone in possession of price sensitive information must not recommend or otherwise suggest to any person (including a spouse, relative, friend, trustee of a family trust or directors of a family company) that they should buy or sell securities of the Company. All personnel should also seek to ensure that any third parties who come into possession of price sensitive information preserve the confidentiality of the price sensitive information and do not deal in securities of the Company while in possession of such information.

WHEN CAN I DEAL IN SECURITIES OF THE COMPANY?

6.1 GENERAL TRADING RESTRICTIONS

A Restricted Person must not deal in securities of the Company unless:

- (i) they have satisfied themselves that they are not in possession of any price sensitive information that is not generally available to the public;
- (ii) they have advised the Company Secretary (in the case of a Restricted Person who is not the Company Secretary) or the Chair (in the case of a Restricted Person who is the Company Secretary) of their intention to deal in securities; and
- (iii) they have obtained prior written clearance to trade from the relevant approver below:

Restricted Person intending to trade	Person to provide written clearance
Chair	Nominated Director
Other Directors	Chair
Other Restricted Persons	Company Secretary or Chair

The Nominated Director will be appointed by the board of directors of the Company from time to time.

The relevant approver will generally allow a Restricted Person to deal in securities of the Company as a matter of course (unless, in their view, dealing should be embargoed in order to manage a potential insider trading risk, or the appearance of insider trading) in the following periods:

- (i) within the period of one month after the release of annual or half yearly results;
- (ii) within the period of one month after the issue of a prospectus; and
- (iii) any other period as the board of directors of the Company may decide,

but a Restricted Person who has received prior written clearance to deal in securities during such times should wait at least two hours after the relevant release of results or other information or issue of prospectus so that the market has had time to absorb the information.

6.2 PROHIBITED PERIODS

A Restricted Person generally cannot deal in securities during a Prohibited Period (i.e. at any time outside the periods mentioned in paragraph 6.1 of this Policy).

However, the relevant approver may provide written clearance to allow a Restricted Person to trade during a Prohibited Period if the relevant approver is satisfied that, in their discretion, exceptional circumstances exist which would warrant approval to deal in securities of the Company.

Ordinarily, such exceptional circumstances would be limited to situations of severe financial hardship and only in the event that the person involved is not in possession of price sensitive information affecting securities of the Company. In such circumstances the relevant approver will only give their approval after making appropriate enquiries.

6.3 PROCEDURE FOR OBTAINING PRIOR WRITTEN CLEARANCE

In order to obtain prior written clearance to deal in securities of the Company in accordance with sections 6.1 or 6.2 of this Policy, the Restricted Person must give the Company Secretary prior written notice (which may be given by email) at least two trading days before the proposed dealing. Company Secretary will give notice to the Chair or nominated director (as applicable).

The Restricted Person must receive written clearance (which may be provided by email) from the relevant approver before dealing in securities the subject of the written clearance. The written clearance will be valid for a period of 5 trading days from the date that the written clearance was provided unless the relevant approver specifies otherwise.

Approval to deal is not an endorsement of the proposed dealing and the Restricted Person is responsible for their compliance with insider trading laws.

Approval to deal may be denied at the absolute discretion of relevant approver. The relevant approver may take into account any matter they consider appropriate when deciding whether to provide approval, including whether the proposed dealing could give rise to the appearance of insider trading, and any reputational risk to the Company and the Restricted Person.

The Restricted Person is not entitled to receive any reasons for why the dealing request has been denied. If approval is denied, the Restricted Person must keep that information confidential and not disclose it to anyone.

6.4 NO SHORT-TERM DEALINGS

Restricted 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). Securities acquired as a result of vesting under an equity incentive or share plan operated by the Company are excluded from this rule.

6.5 DEALINGS IN SECURITIES WHICH ARE NOT SUBJECT TO THIS POLICY

The only dealings in securities which are not subject to this Policy are acquisitions under a dividend reinvestment plan, equity incentive or share plan, or as otherwise notified by the Chair of the Company. However, a Restricted Person must only elect to participate in the dividend reinvestment plan if they are not in possession of price sensitive information and, if they subsequently become in possession of price sensitive information, may not change that election until they are no longer in possession of price sensitive information.

6.6 REPORTING COMPLETED TRADES

Completed dealings in securities by a Restricted Person which have been permitted in accordance with this Policy must be reported as soon as practicable to the Company Secretary (which may occur via email).

In the case of a director, the Company Secretary will also report completed dealings in securities to the Chair of the Company. Directors are required to enter into an agreement with the Company

under which they are obliged to notify the Company of changes in interests in securities and other relevant matters.

The report must include the date, price and volume of the dealing and details of prior written clearance with respect to the dealing received from the Company so that the Company can comply with its ASX reporting obligations.

COMPLIANCE

Breaches of this Policy may result in disciplinary action against the relevant Restricted Person including dismissal in serious cases.

NEED MORE INFORMATION?

Restricted Persons who have any questions about this Policy should contact the Company Secretary.