



# HUNTER HALL INTERNATIONAL LIMITED

ABN 43 059 300 426

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Market Announcements Office  
ASX Limited  
Level 5, 20 Bridge Street  
Sydney NSW 2000

## **HUNTER HALL INTERNATIONAL LIMITED (HHL) ADOPTION OF REVISED SECURITIES TRADING POLICY**

In accordance with Listing Rule 12.10, HHL attaches its updated share trading policy as adopted by the board of directors of HHL on 11 February 2016.

Yours sincerely

Christina Seppelt  
Company Secretary



## Securities Trading Policy

Approved by the Hunter Hall International Limited Board on 11 February 2016

### 1. Introduction

- 1.1 Hunter Hall International Limited (the **Company** or **HHL**) is an ASX-listed investment management company.
- 1.2 This is a policy of HHL and applies to directors, employees, contractors and their associates (**Designated Officers**) of any entity within the Hunter Hall Group.
- 1.3 This policy is designed to raise the awareness of Designated Officers of their obligations to conduct their personal financial dealings in a manner that is lawful and avoids a conflict of interest with the interests of the Company.
- 1.4 It is the responsibility of each Designated Officer to ensure that they do not do any of the things prohibited by this Policy or under the Corporations Act 2001 (Cth) when they are in possession of Inside Information.

### 2. Policy Scope

The objectives of this policy are to:

- a. comply with the Listing Rules of the ASX Limited (**ASX**);
- b. provide for orderly dealings in the Company's Securities;
- c. provide for orderly dealings in all other Securities; and

ensure that, as far as is reasonably practicable, the insider trading provisions in the Corporations Act are complied with.

### 3. Insider trading prohibition

- 3.1 Dealing in Securities by Designated Officers is prohibited at any time if the person possesses Inside Information whether or not there is a Trading Blackout. The prohibition extends beyond the Company's Securities and includes Securities of any company in respect of which a Designated Officer may possess Inside Information.
- 3.2 In addition, a Designated Officer must not give Inside Information to anybody else where that officer knows, or ought to reasonably know, that the third party would be likely to Deal or procure someone else to Deal in Securities.
- 3.3 The prohibition extends to Dealing in Securities by others including any nominees, agents or family members of Designated Officers who may possess Inside Information.

### 4. Policy for trading in Company Securities

- 4.1 Designated Officers may Deal in Securities in the Company at any time, subject to:
  - a. no Trading Blackout then being in place; and
  - b. not being in possession of Inside Information; and

- c. complying with the notification and approval procedures set out in this Policy.

4.2 Directors must also comply with the obligations set out in paragraph 17 of this Policy.

## **5. Trading Blackouts**

There are 3 designated Trading Blackouts being:

- a. the period commencing 31 December and ending on the day after the announcement of HHL's half year results to the ASX; and
- b. for the period commencing 30 June and ending on the day after the announcement of HHL's annual results to the ASX; and
- c. the period commencing 2 weeks prior to and ending on the day after the annual general meeting of shareholders of HHL each year.

## **6. Trading Blackouts**

- 6.1 Notwithstanding the designated Trading Blackouts above, the Directors may at any time notify Designated Officers that there is an additional Trading Blackout in place.
- 6.2 No further notifications to Designated Officers will be made in respect of the above designated Trading Blackouts and it is the responsibility of Designated Officers to duly note such periods and their obligations under this Policy.
- 6.3 In the event an additional Trading Blackout is notified to Designated Officers, it is the responsibility of Designated Officers to duly note such periods and their obligations under this Policy.

## **7. Exclusions from the trading policy**

The following trading activity is excluded from the trading policy:

- a. transfer of Securities already held into a superannuation fund or other saving scheme in which the Designated Officer is a beneficiary;
- b. undertakings to accept, or the acceptance of, a takeover offer;
- c. trading under an offer or invitation made to all or most of the relevant 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;
- d. a disposal of Securities in the Company that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement previously approved in accordance with this Policy; and
- e. the exercise (but not the sale of Securities in the Company following exercise) of an option or a right under an employee incentive scheme, where the final date for the exercise of the option or right, or the conversion of the Securities, falls during a Trading Blackout and the Company has had in place an unusually and unexpectedly long Trading Blackout or it has had a number of consecutive Trading Blackouts and the Designated Officer could not reasonably have been expected to exercise it at a time when free to do so.

## **8. Prior Written Clearance for Exceptional Circumstances**

- 8.1 A Designated Officer, who is not in possession of inside information in relation to the Company, may be given prior written clearance to Deal with Securities in the Company during a Trading Blackout

where the Designated Officer is in severe financial hardship or there are other exceptional circumstances, as determined by the Board, and that the proposed Dealing in the relevant Securities is the only reasonable course of action available. Exceptional circumstances include, but are not limited to:

- a. requirement to do so by a court order;
- b. Dealing to satisfy court enforceable undertakings, for example, in a bona fide family settlement;
- c. an overriding legal or regulatory requirement for the Designated Officer to do so; or
- d. a tax liability that the Designated Officer has no other means of satisfying.

### 8.2 Consent must be obtained for Dealing:

- a. for Designated Officers (excluding the Chairperson), from the Chairperson or 2 Non Executive Directors; and
- b. for the Chairperson, from 2 Non Executive Directors.

### 8.3 The Designated Officer must make their request for consent in writing to the Company Secretary and provide such information as the Company Secretary requires to allow the relevant decision maker to make a determination.

### 8.4 Prior written consent must be given before any Dealing during a Trading Blackout and any such consent remains valid for a period of no more than one week from the date of the consent. Consent may be given electronically or in writing and may include any conditions considered necessary or appropriate by the authorised provider of the consent including a period within which such Dealing must be completed.

### 8.5 Consent to Deal during a Trading Blackout is discretionary and no reason is required to be given to the Designated Officer in respect of a consent or refusal to Deal in Securities.

## 9. **Trading in Derivatives**

A Designated Officer is prohibited from trading in financial products issued or created over or in respect of the Company's Securities other than as permitted by paragraph 4.

## 10. **Margin Lending Arrangements**

### 10.1 Any Designated Officer (but excluding any Director) proposing to take out a margin loan in relation to Company Securities, or proposing to amend an existing arrangement, must disclose the existence of, and the terms of, the proposed margin loan arrangement, prior to its commencement, to the Company Secretary and must not enter into such arrangement without first receiving authorisation from the board, and confirmed in writing, from the Company Secretary.

### 10.2 A director may not take out a margin loan in relation to Company Securities.

**11. Employee Securities Plans**

- 11.1 Designated Officers invited to participate in an employee securities plan offered by the Company may make applications for and acquire Securities under such an offer irrespective of any Trading Blackout in effect and without taking any further action in respect to this Policy.
- 11.2 Any subsequent Dealing in Securities by a Designated Officer will be subject to the general prohibitions and procedural requirements set out in this Policy.

**12. Participation in Dividend Reinvestment Plans**

- 12.1 In the case of a dividend reinvestment plan, a Designated Officer must only elect to participate or cease participation in the plan when:
- a. there is no Trading Blackout then being in place; and
  - b. not being in possession of Inside Information.
- 12.2 Subsequent acquisitions of Securities by virtue of an existing election to participate in a dividend reinvestment plan do not require consent or notification (except in the case of Directors, where paragraph 17 below applies).

**13. Policy for trading in Securities generally**

- 13.1 Designated Officers (other than non executive Directors) must:
- a. not Deal in Securities in any entity unless prior written approval of the Dealing has been obtained from the Head of Product, Risk and Client Services (or equivalent). Any approval received is only valid for the calendar day on which the approval is granted;
  - b. keep an accurate and up to date register of personal Dealing in Securities which must be available for inspection at any time on request for internal audit purposes or if required by ASIC or other regulatory body; and
  - c. ensure that any Dealing in Securities does not adversely affect the reputation of themselves or any entity within the Hunter Hall Group or affect their ability to perform their obligations to the Company.
- 13.2 In addition to their obligations outlined in paragraph 13.1 but subject to paragraph 13.3, Designated Officers must:
- a. not Deal in Securities in any entity in which the Hunter Hall Group has a Substantial Holding; and
  - b. in respect of Securities in an entity held by that Designated Officer prior to the Hunter Hall Group acquiring a Substantial Holding in that entity, only Deal (by divestment) in those Securities in the same proportion as Hunter Hall Group Deals in the Securities in the relevant entity until the Hunter Hall Group ceases to have a Substantial Holding.
- 13.3 Designated Officers may Deal in Securities in an entity in which the Hunter Hall Group has a Substantial Holding provided prior written approval of the Dealing has been obtained jointly from the Chief Investment Officer and the Chief Executive Officer of the Company, or if the Designated Officer is the Chief Investment Officer or the Chief Executive Officer, from the board and subject to any conditions of Dealing imposed by such approval.

**14. Compliance with third party policies**

Designated Officers are required to comply with the securities trading policy of Hunter Hall Global Value Limited.

**15. Examples of Inside Information**

- 15.1 The following are examples of possible 'inside information':
- a. the previously undisclosed financial performance of the Company, strategy or operations including profit forecasts, borrowings, liquidity and cashflow;
  - b. entry into or termination of a material contract with any third party including with key management personnel;
  - c. a material acquisition or sale of assets by the Company;
  - d. an actual or proposed takeover or merger of the Company;
  - e. an actual or proposed change to the Company's capital structure;
  - f. a proposed dividend or a change in dividend policy of the Company;
  - g. a material claim against the Company or other unexpected liability.
- 15.2 Information will, generally, not be Inside Information if it is made known to the market generally 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 financial products similar to those offered by the Company.
- 15.3 If in doubt, it is the responsibility of each Designated Officer to determine whether or not any information in their possession is Inside Information.

**16. Compliance with this Policy**

- 16.1 All Designated Officers are required to comply with this Policy.
- 16.2 Designated Officers will receive a copy of this Policy upon employment or appointment and a copy is accessible in the Corporate Governance Section of the Hunter Hall Group website.
- 16.3 On request, Designated Officers will be required to provide a declaration to the Head of Product, Risk & Client Services that they have read and understood this Policy and they are in compliance with this Policy.
- 16.4 Adherence to this Policy is critical and any failure to comply must be reported immediately to the Company Secretary or Head of Product, Risk & Client Services. Failure to comply with the Policy may result in one or more of the following actions:
- a. training;
  - b. performance management;
  - c. other disciplinary action pursuant to relevant Hunter Hall Policies;
  - d. termination of employment or contractual arrangements; and
  - e. notification to relevant regulatory bodies of a serious breach of this Policy.

## **17. Reporting Obligations of Directors**

### **17.1 Generally**

A director proposing to acquire or dispose of Company Securities must notify each other director prior to acquiring or disposing of the securities.

### **17.2 ASX Listing Rule requirements**

- a. The Company is required under the ASX Listing Rules to notify the ASX within 5 Business Days of any changes to a director's notifiable interests. The Company Secretary is responsible for lodging a Change of Directors' Interest Notice (Appendix 3Y) and it includes a requirement to notify whether the change occurred during a closed period where prior written clearance was required and if so whether the prior written clearance was provided.
- b. An Initial and Final Directors Interest Notice (Appendices 3X and 3Z) must also be lodged on the appointment or resignation of a director.
- c. Directors are also required under sec 205G of the Corporations Act to notify the ASX of any changes to their notifiable interests within fourteen calendar days of the change.
- d. Notifiable interests are defined in sec 205G of the Corporations Act and include all relevant interests in a security held by a director, including contracts that confer a right to obtain securities in the Company (such as options). A contract does not need to be in writing for it to be notifiable and includes a situation where a director is entitled to be paid a commission when another person subscribes for shares in the Company.
- e. Generally, a director will have a relevant interest if they are the holder of the security or have the power to control the voting or disposal of the security.
- f. Pursuant to an ASIC class order (CO 01/1519) lodgment of a Directors' Interest Notice (Appendix 3Y) will satisfy a director's obligation under sec 205G.
- g. Consequently it is the responsibility of each director to promptly notify the Company Secretary of all information required to complete and lodge the Appendices 3X, 3Y and 3Z with the ASX within the required time.

## **18. Will the policy be regularly updated?**

- 18.1 The policy will be reviewed and updated from time to time to ensure that it remains relevant, current and compliant with all applicable laws, and guidance notes. Any material changes will be notified to the ASX, each Designated Officer and placed on the website of the Hunter Hall Group.
- 18.2 This policy was last updated and approved by the Directors of Hunter Hall International Limited on 11 February 2016.

## **19. Definitions**

For the purposes of this policy:

**associate** has the meaning set out in the Corporations Act and includes:

- a. spouse or partner
- b. dependent children

- c. any trustee of a trust or other fiduciary arrangement under which the designated officer, the designated officer's spouse or partner or dependent children or any one or more of them is or may be a beneficiary
- d. any company or other body in which a designated officer holds (directly or indirectly) a majority of the shares or otherwise controls (directly or indirectly) that company or body, and
- e. any other company or body (not falling within paragraph (d)) in which a designated officer is a director, secretary or executive officer, unless that designated officer is able to demonstrate to the satisfaction of the Chairman of the Board that appropriate arrangements are in place within that other company or body to ensure that the designated officer:
  - i. takes no part in the decision by that other company or body to purchase or sell Company securities or other price-sensitive products, and
  - ii. has not induced or encouraged that other company or body to purchase or sell Company securities or other price-sensitive products

**Corporations Act** means the *Corporations Act* 2001 (Cth).

**Dealing (and Deal)** includes:

- (a) buying and selling; or
- (b) exercising or executing any financial instruments (including options);
- (c) agreeing to buy or sell;
- (d) procuring another person to buy or sell; or
- (e) communicating (directly or indirectly) information that, if it were generally known, would be likely to cause another person to buy or sell.

**Designated Officer** means each director, employee and contractor of an entity within the Company Group and their associates.

**Hunter Hall Policies** mean any policy applying to a director, employee or contracted staff of any entity in the Hunter Hall Group.

**Hunter Hall Group** means the Company and each of its related bodies corporate.

**Inside Information** means information that is not generally available to the market that, if it were available, it would be reasonable to expect to have a material effect on the price of Securities.

**Securities** includes stapled securities, shares, units, debt securities and other financial instruments or any interest created over securities by third parties, structured financial products, swaps, future contracts, contracts for differences, options, warrants, depositary receipts or other derivatives over or related to the performance of securities.

**Substantial Holding** has the meaning set out in the Corporations Act.

**Trading Blackout** means a period during with Designated Officers may not Deal in Securities in the Company as set out in paragraphs 5 and 6.