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## HILLCREST LITIGATION SERVICES LIMITED

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<p><b>ASX ANNOUNCEMENT</b></p> <p><b>SHARE TRADING POLICY</b></p>
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22 December 2010

Please find attached a copy of the Hillcrest Litigation Services Limited Share Dealings and Trading Policy which complies with the new requirements under the ASX Listing Rules with respect to Securities Trading Policies.

If you have any queries in relation to the above, please do not hesitate to contact the Company Secretary on (08) 9324 3266.

Yours faithfully,

**HILLCREST LITIGATION SERVICES LIMITED**

**Ian Allen**  
Company Secretary

## **Share Dealings and Trading Policy**

- 1.1 The Corporations Act requires that any person who possesses inside information does not (whether as principal or agent) use that information to deal in securities, either for personal gain or for the gain of any other person.
- 1.2 Inside information is information that a reasonable person would expect to have a material effect on either the price or value of the applicable security.
- 1.3 Maximum penalties for non-compliance are:
  - in the case of a natural person \$220,000 or imprisonment for 5 years, or both;
  - in the case of a body corporate \$1,100,000; and
  - unlimited civil liability.
- 1.4 The following Policy and Procedures have been produced to provide guidance to Directors and employees of Hillcrest Litigation Services Limited, and their associates, when dealing in Hillcrest Litigation Services Limited securities (which includes shares and options issued by Hillcrest Litigation Services Limited).
- 1.5 Directors and employees of Hillcrest Litigation Services Limited:
  - must not deal in any security of Hillcrest Litigation Services Limited whilst in possession of inside information;
  - should advise the company secretary, or in his absence, a Director, of any purchase or sale of securities in Hillcrest Litigation Services Limited within 2 business days.
- 1.6 Subject to the requirements of the Corporations Act and the above Policy requirements, a Director, an employee or their associate may:
  - provided that the person is not in possession of any inside information, deal in any security of Hillcrest Litigation Services Limited;
  - not deal in any security of Hillcrest Litigation Services Limited within 5 days prior to the release of:
    - the half-yearly financial report to ASX; or
    - the annual financial report to ASX;
  - acquire securities in Hillcrest Litigation Services Limited under a bonus issue made to all holders of securities of the same class;
  - acquire securities of Hillcrest Litigation Services Limited under a dividend reinvestment, or top-up plan that is available to all holders of securities of the same class;
  - acquire, or agree to acquire, shares or options under any employee share or option plan implemented by Hillcrest Litigation Services Limited;
  - exercise options granted by Hillcrest Litigation Services Limited (pursuant to any option plan or otherwise), but may sell all or part of the shares received upon exercise of the options only in accordance with the above Policy and these Procedures.
- 1.7 Section 205G of the Corporations Act requires that a Director must notify the Australian Stock Exchange Limited of the acquisition or disposal of any security of Hillcrest Litigation Services Limited. A copy of the notification should be forwarded to the Hillcrest Litigation Services Limited Company Secretary in accordance with the Corporations Act and disclosed in accordance with the ASX Listing Rules. The Company Secretary will keep a register of dealing notifications.

## 2.1 Definitions

In this Policy on Dealing in the Securities of Hillcrest Litigation Services Limited:

**"associate"** includes nominee companies, spouses, dependent children, family trusts, etc.

**"security"** includes shares, debentures, rights, options, employee options, prescribed interests and warrants.

**"deal"** includes any transaction associated with buying, selling or converting a security.

**"inside information"** is information that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of the applicable security.

**"insider"** means a person possessing inside information.

## 3.1 Corporations Act Legislation.

The main provision dealing with insider trading is section 1043A of the Corporations Act. However, other sections throughout the Corporations Act deal with peripheral and related matters such as stock market manipulation, misleading conduct, fiduciary duties etc.

## 3.2 Section 1043A is summarised as follows:

- Where a person ("**insider**") possesses information that is not generally available but, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of those securities; and the person knows, or ought reasonably to know, that the information is not generally available, and if it were generally available, it might have a material effect on the price or value of those securities, the following rules apply.
- The insider must not (whether as principal or agent):
  - subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell any such securities; or
  - procure another person to subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell, any such securities.
- The insider must not, directly or indirectly, communicate the information, or cause the information to be communicated, to another person the insider knows, or ought reasonably to know, that the other person would or would likely to subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell any such securities, or procure a third person to subscribe for, purchase or sell, or enter into an agreement to subscribe for, purchase or sell, any such securities.