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# **MARBLETREND GROUP LIMITED**

## **Trading Policy for dealing in securities of Marbletrend Group Limited or other entities by Directors and Senior Group Executives**

**December 2010**

## TABLE OF CONTENTS

1. Definitions .....	3
2. Statutory Prohibitions.....	4
3. Marbletrend's Trading Policy .....	5
4. Notes .....	7
5. Disclosure by Directors .....	8
Schedule .....	9

## 1. Definitions

**Closed Period** means the two months preceding the announcement of either Marbletrend's annual or half-yearly results (such announcements are usually made in the last week of February and the last week of August respectively).

**Confidential Price Sensitive Information** means information concerning an entity's financial position, strategy or operations and any other information which a reasonable person would consider, if it were made public, would have a material impact on the price of the entity's securities. In other words, it is information which would influence a reasonable person to buy or sell an entity's securities.

**Deal** means either directly or indirectly acquiring or disposing of Marbletrend's securities, including giving a mortgage or other right to a lender over Marbletrend's securities.

**Exceptional Circumstances** means severe financial hardship or other circumstances considered to be exceptional, including a court order or court enforceable undertakings in a bona fide family settlement to transfer Marbletrend's securities or some other overriding legal or regulatory requirement to transfer Marbletrend's securities.

**Insider** means a person who possesses confidential price sensitive information either directly or indirectly.

**Senior Group Executives** means members of Group Head Office management or the Group operations executive, other key management personnel as defined under Australian accounting standards (except Directors) and other executives who are notified in writing by the Company Secretary as being within this definition.

**Window** means a period during which Directors and Senior Group Executives may deal in Marbletrend's securities.

This policy applies to Directors and Senior Group Executives who may wish to deal in securities of Marbletrend Group Limited (**Marbletrend**) ABN 34 087 730 667 or other entities in which their position creates an involvement.

This policy assists compliance with the law and ASX listing rules and aims to minimize possible penalties. Regulators such as the Australian Securities and Investments Commission (**ASIC**) and the Australian Securities Exchange (**ASX**) together with investors seek the fair trading of securities.

## 2. Statutory Prohibitions

The Australian Corporations Act imposes a number of obligations and duties in relation to dealing in securities by Insiders. The law in summary provides that an Insider must not:

- (a) Deal in securities of an entity whilst in possession of Confidential Price Sensitive Information relation to the entity that is not generally available;
- (b) Procure any other person to deal in those securities; or
- (c) Communicate the Confidential Price Sensitive Information to any person who he/she knows or ought reasonably to know will make use of the information for the purpose of dealing or procuring others to deal in those securities.

### 2.1 Penalties

The penalties for breach of the statutory prohibitions can be either criminal or civil or both.

- criminal penalties can be either a fine of up to A\$200,000 or imprisonment for five years or both.
- Civil penalties are a fine of up to A\$200,000 for an individual.

### 2.2 Securities

In this policy, Marbletrend's securities include Marbletrend shares, any debt instruments which Marbletrend may issue and financial products created by third parties in relation to Marbletrend's securities (such as those which operate to limit the economic risk of holding Marbletrend's securities).

The reference to third party financial products reflects the apparent use by executives of some companies of financial instruments to hedge risks in unvested share entitlements granted under incentive schemes. Hedging of these risks undermines the intention of the schemes to align the interests of executives with the interests of shareholders.

Directors and Senior Group Executives are likely to have Confidential Price Sensitive Information about Marbletrend and other entities with which Marbletrend has relationships. Thus, if a Director or Senior Group Executive has acquired information in the course of the performance of his/her duties, he/she must be careful with the use of that information not to directly or indirectly acquire an advantage for himself/herself or his/her associates, particularly in the minds of others who do not have such information. In particular, it is important that when a Director or Senior Group Executive is considering the dealing in Marbletrend's securities, he/she does not make such a decision on the basis of Confidential Price Sensitive Information that he/she has because of his/her position.

With the above in mind, the following policy has been approved for use by Directors and Senior Group Executives. It is not necessarily a defence to a breach of the statutory prohibitions summarized above, as any defence depends upon the law. This policy supplements the law; it does not replace or limit it.

## 2. Statutory Prohibitions (continued)

Hence the law prohibits trading at any time if the Director of Senior Group Executive possesses Confidential Price Sensitive Information, irrespective of whether this policy provides trading could occur in a Window or outside a Closed Period, or whether trading is excluded from the operation of this policy.

## 3. Marbletrend's Trading Policy

Subject to law:

- 3.1 Directors and Senior Group Executives should not Deal in Marbletrend's securities at a time when they possess Confidential Price Sensitive Information.
- 3.2 Directors and Senior Group Executives should never actively trade in Marbletrend's securities.
- 3.3 The Windows when Directors and Senior Group Executives may Deal in Marbletrend's securities are the periods:
  - (a) one to a maximum of thirty days after the release of Marbletrend's half yearly results (Appendix 4D);
  - (b) one to a maximum of thirty days after the release of Marbletrend's preliminary final results (Appendix 4E);
  - (c) one to a maximum of thirty days after the date of release of Marbletrend's Annual Report;
  - (d) one to a maximum of thirty days after the Annual General Meeting; or
  - (e) one day after the date of issue of a prospectus for any new share or debt issue until the closing date.

Dealings outside these Windows are subject to the existence of Exceptional Circumstances.

- 3.4 The above Windows should also govern decisions by Directors and Senior Group Executives to enter or withdraw from Marbletrend's Dividend Reinvestment Plan and Bonus Share Plan.
- 3.5 Directors and Senior Group Executives should not Deal in Marbletrend's securities during a Closed Period unless Exceptional Circumstances exist.
- 3.6 Dealings outside a Window or in a Closed Period are to be decided for Directors (other than the Chairman) by the Chairman, for the Chairman by the Audit Committee Chairman and for Senior Group Executives by the Group Chief Executive Officer in each case in their sole discretion and in each case notified to the Company Secretary, or in his absence, the Deputy Company Secretary.

Any prior written clearance to trade in Exceptional circumstances must specify the duration of such clearance and must be in writing (which includes email).

- 3.7 Before any Director or Senior Group Executive deals in Marbletrend's securities, he or she must at all times comply with the notification procedures set out in 3.8 and 3.9 as appropriate.
- 3.8 Where he or she is not otherwise prohibited in dealing in Marbletrend's securities, a Director may Deal in those securities subject to having first given written notification of any intended transaction to the Board or as hereafter mentioned:

- (a) the notification by a Director (other than in the case of the Chairman) should be given to the Chairman or, in his absence, the Chairman of the Audit and Compliance Committee.

### 3. Marbletrend's Trading Policy (Continued)

- (b) The Chairman should give notification to the Audit and Compliance Committee Chairman, or in his absence, another member of the Audit Committee.

In each case, the notification should contain details of the type and number of securities. The person giving the notice is also required to notify the Company Secretary in writing, or in his absence, the Chairman.

- 3.9 Where he or she is not otherwise prohibited from dealing in Marbletrend's securities, a Senior Group Executive may deal in those securities subject to having first given written notification of any intended transaction to the Company Secretary, or in his absence, the Chairman.
- 3.10 The Company Secretary will be responsible for maintaining a record of all notifications for presentation to the Board.
- 3.11 The issue of shares of the grant of options under share incentive schemes is not deemed to be a Dealing in Marbletrend's securities. The subsequent sale of shares is, however, a Dealing which is subject to this policy.
- 3.12 Notwithstanding the above, it is prohibited to Deal at any time in Marbletrend's securities to hedge the value of Marbletrend shares yet to be vested, including for Senior Group Executives under any share incentive scheme.
- 3.13 Any securities' trading which is not subject to this policy is permitted unless it breaches the statutory prohibitions summarized above. Such excluded trading includes where the trading (a) results in no change in beneficial interest in the securities; (b) occurs via investments in a scheme or other arrangement where the investment decisions are exercised by a third party; (c) occurs when the Director or Senior Group Executive has no control or influence with respect to trading decisions; or (d) occurs under an offer to all or most of the security holders of Marbletrend. The Schedule provides examples of excluded trading.
- 3.14 In making decisions under this policy, reference may be made to any guidance notice issued by ASX.
- 3.15 Marbletrend may change, replace or withdraw this policy at any time, both on an individual and collective basis.

### 4. Notes

- (a) Prima facie, this policy should also be seen as applying to the Director's or Senior Group Executive's spouse, dependent children, family trusts and family companies. The circumstances may indicate this policy should not apply eg independent decision-making not involving the Director or Senior Group Executive or simply being a beneficiary or shareholder, thereby not part of the buy/sell process.
- (b) Directors and Senior Group Executives should ensure that before any transactions are undertaken by external bodies which are private and of which they are a member or trustee, for example charities or family superannuation funds, their fellow members or trustees are aware of their interest.
- (c) The above restrictions also apply to dealings in the securities of any other entity when, in the course of the performance of his or her duties as a Director or Senior Group Executive of Marbletrend Group Limited, its subsidiaries or associates, the Director or Senior Group Executive is in possession of Confidential Price Sensitive Information. For example, securities of acquisition targets, insureds, intermediaries or suppliers.

#### **4. Notes (Continued)**

- (d) It is unacceptable to procure others to trade when the Director or Senior Group Executive is precluded from trading.
- (e) Directors and Senior Group Executives should be careful that third parties, including professional advisers, are subject to confidentiality with respect to Confidential Price Sensitive Information of Marbletrend Group Limited.

The Board takes the matter of dealing in Marbletrend's securities by Directors and Senior Group Executives seriously and expects full compliance with this policy. Failure to comply with it by Senior Group Executives may result in termination of employment or other disciplinary action.

#### **5. Disclosure by Directors**

From 1 January 2002, ASX Listing Rules 3.19A and 3.19B require Marbletrend to make certain notifications and enter into certain arrangements with Directors about share trading by Directors.

These rules currently only apply to Directors and not Senior Group Executives of Marbletrend.

To enable Marbletrend to meet its obligation under these rules, each Director must provide necessary information to Marbletrend.

This requires initial, ongoing and final disclosure to Marbletrend and applies to securities of Marbletrend or a related body corporate.



## Schedule

Some examples of trading excluded from this policy are:

- (a) transfers of Marbletrend's securities already held into a superannuation fund or other saving scheme in which the Director or Senior Group Executive is a beneficiary;
- (b) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in Marbletrend's securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) where a Director or Senior Group Executive is a trustee, trading in Marbletrend's securities by that trust provided the Director or Senior Group Executive is not a beneficiary of the trust and any decision to trade during a Closed Period is taken by the other trustees or by the Investment Managers independently of the Director or Senior Group Executive;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
- (e) trading under an offer or invitation made to all or most of Marbletrend's 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;
- (f) a disposal of Marbletrend's securities that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement; and
- (g) trading under a non-discretionary trading plan for which prior written clearance has been provided and where:
  - (i) the Director or Senior Group Executive did not enter into the plan or amend the plan during a Closed Period;
  - (ii) the trading plan does not permit the Director or Senior Group Executive to exercise any influence or discretion over how, when or whether to trade; and
  - (iii) there is no cancellation of the trading plan during a Closed Period other than in Exceptional Circumstances.