



## **ACTIVEX LIMITED SECURITIES TRADING POLICY**

### **1. INTRODUCTION**

Directors, employees and other shareholders are encouraged to be long-term holders of ActivEX Limited (Company) shares. However, care must be taken in the timing of any acquisition or disposal of securities of the Company.

The *Corporations Act* contains provisions which prohibit a person in possession of material, non-public information relating to a company from dealing in any way with shares, options or other securities issued by that company or issued or created over the company's securities by third parties (Securities).

The Securities Trading Policy (Policy) sets guidelines designed to protect ActivEX and Personnel from intentionally or unintentionally breaching these Laws.

This Policy applies to all Directors, senior executives, employees, contractors and consultants (collectively, Personnel).

### **2. THE LAW**

The principal insider trading prohibition in Australian law is contained in section 1043A of the *Corporations Act*.

Section 1043A prohibits a person (an Insider) who is in possession of information relating to ActivEX that is not generally available but, if the information was generally available (see paragraph 3), a reasonable person would expect that information to have a material effect (see paragraph 4) on the price or value of ActivEX's Securities (Material Non-Public Information) from:

- (a) applying for, acquiring, disposing of or entering into an agreement to apply for, acquire or dispose of ActivEX Securities;

- (b) procuring another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of ActivEX Securities; or
- (c) directly or indirectly communicating the Material Non-Public 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 ActivEX Securities; or
  - (ii) procure another person to apply for, acquire, dispose of or enter into an agreement to apply for, acquire or dispose of ActivEX Securities.

### **3. AVAILABLE INFORMATION**

Information relating to ActivEX would be considered to be generally available after it has been released to the Australian Securities Exchange (ASX) and the ASX has fully disseminated that information to the market.

### **4. INFORMATION HAVING A MATERIAL EFFECT ON ACTIVEX SECURITIES**

A reasonable person would be taken to expect information to have a material effect on the price of ActivEX Securities if that information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to acquire or dispose of ActivEX Securities.

### **5. DETERMINING MATERIAL NON-PUBLIC INFORMATION**

Determining what is Material Non-Public Information is subjective. It would, as an indication, most likely include (but not be restricted to) the following types of information:

- the making of a share, option or debt issue and the under or over subscription of that issue;
- proposed acquisitions, mergers, sales, joint ventures or takeovers;
- information about ActivEX's business plans, investment proposals or asset purchases or sales;
- regulatory decisions or industrial actions that may affect ActivEX's operations;
- the occurrence of an environmentally related incident;
- the threat, commencement or settlement of any material litigation or claim;
- an agreement between ActivEX (or a related party or subsidiary) and a Director (or related party of the Director);
- a change in accounting policy adopted by ActivEX; and
- the health or capacity of any Director.

## **6. INSIDER TRADING POLICY**

The confidentiality of Material Non-Public Information must be strictly maintained within ActivEX by all persons who have access to that information, regardless of title or position. No Personnel shall disclose such information, except on a need-to-know basis, inside or outside of ActivEX.

## **7. PERSONNEL IN POSSESSION OF MATERIAL NON-PUBLIC INFORMATION**

Personnel must not purchase or sell ActivEX Securities while in possession of Material Non-Public Information.

Personnel in possession of Material Non-Public Information must not cause or procure a third party to deal in the Securities of ActivEX.

## **8. SENIOR EXECUTIVES & DIRECTORS' DEALING IN ACTIVEX SECURITIES**

Senior Executives (being direct reports to the Managing Director, and those persons' direct reports) and Directors are routinely in possession of Material Non-Public 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 ActivEX Securities). As such, they (or any family member or associate over whom they have influence) are prohibited from dealing in ActivEX Securities during a nominated "Closed Period".

### Closed Periods

No trading in ActivEX Securities may occur during Closed Periods without the permission of the Chairman. Permission will ordinarily only be granted in exceptional circumstances (see section 9 below) and only in the event that the person involved is not in possession of Material Non-Public Information affecting Securities. Requests for permission should generally be made through the Company Secretary.

At times other than Closed Periods, the laws prohibiting insider trading continue to apply to Personnel. Refer to section 2 of this Policy for further details.

Personnel in all circumstances are also prohibited from entering into any agreement that provides lenders with rights over their interests in Securities.

"Dealing in ActivEX Securities" includes but is not limited to buying, selling and transferring ActivEX Securities.

Unless the Board otherwise directs, in its absolute discretion, Directors and all employees must not deal in the Company's securities during designated closed periods as follows:

- (a) the period commencing on the 14 days prior to the day the Company releases its half year results to the ASX and ending one day after the lodgement of that half year results; or
- (b) the period commencing on the 14 days prior to the day the Company releases its year end results to the ASX and ending one day after the lodgement of that year end results; or
- (c) any other periods that the Board of the Company may from time to time determine to be a closed period in which trading is prohibited.

The Board may also, in its absolute and unfettered discretion, determine that a trading window be opened commensurate with the vesting of securities granted under any ActivEX equity based remuneration scheme.

#### Notice of Intent to Deal in ActivEX Securities

Senior Executives and Directors (or any family member or associate over whom they have influence) are prohibited from dealing in ActivEX Securities without providing the Managing Director (and the Chairman in the case of the Managing Director) with prior written notice of their intent to deal in ActivEX Securities. The notice must include a statement that they do not believe they are in possession of any Material Non-Public Information. A copy of the notice will be sent to the Company Secretary for the official file.

Directors and Senior Executives must confirm with the Managing Director (or the Chairman, as appropriate) that the trading has occurred. A copy of the confirmation will be sent to the Company Secretary for the official file and the details used to make the necessary disclosure to the ASX regarding changes to Director's notifiable interests in ActivEX.

The Company Secretary will notify the Board of all trades by the Senior Executives as soon as reasonably practicable.

#### Hedging Transactions

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 offered by ActivEX.

## **9. EXCEPTIONAL CIRCUMSTANCES**

Any member of Personnel, who is not in possession of Material Non-Public Information affecting Securities, may be given prior written approval to sell or otherwise dispose of Securities during a Closed Period where there are exceptional circumstances. Exceptional circumstances may include:

- (a) severe financial hardship which means a member of Personnel has a pressing financial commitment that cannot be satisfied otherwise than by selling the Securities;
- (b) if a member of Personnel 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 Personnel to do so;  
or
- (c) a situation determined by the Chairman (or in the case of the Chairman the Managing Director) to be an exceptional circumstance.

When requesting prior written approval to sell or otherwise dispose of Securities during a Closed Period, Personnel must submit an application in writing (which can be by email) to the Chairman, generally through the Company Secretary (in the case of the Chairman an application in writing (which can be by email) to the Managing Director) including the reasons for requesting approval and confirming that Personnel are not in possession of Material Non-Public Information. Approval, if granted, must be in writing (which can be by email) and must specify a time period for which the approval applies.

## **10. EXCLUDED TRADING**

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

- (a) transfers of Securities already held into a superannuation fund or other saving scheme in which the member of Personnel is a beneficiary;
- (b) an investment in, or trading units of, a fund or other scheme (other than a scheme only investing in ActivEX Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) where a member of Personnel is a trustee, trading in Securities by that trust provided the member of Personnel 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 member of Personnel;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
- (e) 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;
- (f) 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;  
and

- (g) 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 Closed Period and where the member of Personnel could not reasonably have been able to exercise at a time when free to do so; and
- (h) 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:
  - Personnel did not enter into the plan or amend the plan during a Closed Period; and
  - the trading plan does not permit Personnel to exercise any influence or discretion over how, when, or whether to trade.

## **11. BREACH OF INSIDER TRADING POLICY**

Failure to comply with this Insider Trading Policy by any ActivEX Personnel constitutes cause for immediate dismissal/termination of engagement by ActivEX.

In addition, a breach of the prohibitions contained in the *Corporations Act* is a criminal offence punishable under the provisions of the *Corporations Act*.

## **12. 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.