



## **POLICY CONCERNING TRADING IN COMPANY SHARES BY DIRECTORS, OFFICERS AND EMPLOYEES**

1. Introduction
- 1.1 This policy regulates directors, officers and employees' dealing in company shares.
- 1.2 It has been implemented in order to ensure compliance with the insider trading laws of the Corporations Law as well as the guidelines of the ASX Corporate Governance Council.
- 1.3 The policy is designed to eliminate the suspicion or perception of violations of insider trading laws.
- 1.4 For the purposes of this policy, 'dealing' includes:
  - a. any application for or acquisition or disposal of any shares;
  - b. entering into an agreement to apply for, acquire or dispose of any shares; and
  - c. the grant, acceptance, acquisition, disposal, exercise or discharge of any option or other right or obligation to acquire or dispose of shares, but does not include any dealing as part of a dividend reinvestment.
- 1.5 Note that:
  - a. it is illegal to violate the insider trading laws of the Corporations Law;
  - b. there are civil and criminal penalties for insider trading; and
  - c. the ASX monitors all trading activity.
- 1.6 Compliance with the policy does not imply approval by the board of any dealing and it remains the responsibility of the employee concerned to ensure their compliance with the applicable insider trading laws.
- 1.7 The company reserves the right to inform ASIC and the relevant law enforcement agency of any dealing that it considers does not comply with the policy or relevant laws.
2. Application of policy
- 2.1 This policy applies to officers (including directors and any persons engaged in the management of the company, including consultants and advisers) and all other employees.
- 2.2 Any prohibition on dealing under this policy also applies to the officer or employee's family, companies, trusts, personal financial/asset managers acting on their behalf or any persons connected with them.
- 2.3 It is the responsibility of the officer or employee to inform all the persons referred to in paragraph 2.2 of this policy and the limitations it imposes on dealing in shares.

### 3. When an officer may deal

#### 3.1 An officer may only deal in shares:

- a. during the six week period commencing 24 hours after each of the following events:
  - i. the announcement to the ASX of the company's half-year results;
  - ii. the announcement to the ASX of the annual results;
  - iii. after the general meeting if any price sensitive announcement is made; and
- b. with the prior clearance of the Chairman of the company.

#### 3.2 Without prejudice to paragraph 3.1(b), an officer who deals in shares must notify the Company Secretary of the intention to deal prior to dealing and the details of the dealing when completed. The details must include:

- a. The name of the officer
- b. The date of the transaction
- c. The type of transaction (purchase or sale)
- d. The number of shares
- e. The price per share.

### 4. When an officer must not deal

#### 4.1 An officer must not deal or procure another person to deal in securities when he or she:

- a. is in possession of information that he or she knows or ought reasonably to know is unpublished price sensitive information in relation to those securities; or
- b. has not been given clearance to deal under paragraph 3.1(b).

#### 4.2 An officer must not deal or procure another person to deal in securities other than the company's securities when he or she is in possession of information that he or she knows or ought reasonably to know is unpublished price sensitive information in relation to those securities.

#### 4.3 In exceptional circumstances the Chairman may permit an officer to sell shares, for example in cases of genuine financial hardship. This exception shall never apply in the circumstances under paragraph 4.1(a).

### 5. When employees (other than officers) may deal

#### 5.1 If an employee, who is not an officer, is not in possession of information that he or she knows or ought reasonably to know is unpublished price sensitive information in relation to the company's shares then he or she may deal in those shares.

### 6. When employees (other than officers) must not deal

#### 6.1 An employee, who is not an officer, who is in possession of information that he or she knows or ought reasonably to know is unpublished price sensitive information in

relation to the company shares or any or any other securities must not deal or procure another person to deal in those shares or securities.

## 7. Speculative Trading

7.1 At no time may designated officers and employees engage in short term speculative dealing in Reckon shares.

## 8. Clearance to deal

8.1 Before dealing in shares, an officer or employee must first advise the Company Secretary and obtain clearance for the particular dealing. The employee must provide details of:

- a. the name of the shareholder;
- b. the date of the transaction;
- c. the type of transaction (purchase or sale);
- d. the number of shares;
- e. the price per share.

8.2 Clearance will usually only be given to deal during the period set out in paragraph 3.1(b). However, the Company Secretary will not give clearance to deal during that period if:

- a. a matter exists where there is unpublished price sensitive information in relation to company shares (whether or not the officer has knowledge of that matter) and the officer or employee proposes to deal in shares while that information remains unpublished price sensitive information; or
- b. the Company Secretary otherwise has reason to believe that the proposed dealing is in breach of this policy.

8.3 The company must maintain a written record of all advice received from officers or employees, and clearances given, under this policy.

## 9. Options

9.1 Dealing in shares under the staff option scheme is excluded from this policy but officers or employees dealing under the option scheme must ensure that they comply with insider trading rules at the time that they elect to deal in their options.

## 10. Over-ride rule

10.1 Notwithstanding the contents of the policy, the board may at any time suspend all dealing until such time as the board deems it appropriate for dealing to resume.

## 11. Other obligations

11.1 Nothing in this policy is to be taken as in any way limiting an officer or employee's obligations under the Corporations Law or any other law.

12. Breach

12.1 A breach of this policy by an employee will be regarded seriously. It may constitute a breach of the law and may lead to disciplinary action being taken, including dismissal in serious cases.

13. Register

13.1 The company will keep a register of all dealings in securities by officers and employees that are notified to it.

14. Specific transactions

14.1 Officers and employees may not deal in or enter into any transactions relating to any financial products issued or created over the company's securities by third parties.

14.2 Directors, officers and employees may not deal in or enter into any transactions relating to any other securities or similar products which operate to limit the economic risk of their shareholding in the company.