



## BRISBANE BRONCOS LIMITED - SECURITIES TRADING POLICY

Adopted by Board: 12 March 2004  
Revised: 15 December 2010

### Introduction

This document details the policy covering restrictions on the sale and purchase of securities in Brisbane Broncos Limited (the Company). The policy has been formulated to avoid conduct known as 'insider trading' and to ensure that employees are aware of the legal restrictions on trading in company securities while a person is in possession of unpublished price-sensitive information - so they do not inadvertently breach the insider trading provisions of the Corporations Act 2001. The requirements imposed by the policy are separate from, and in addition to, the legal prohibitions in the *Corporations Act 2001 (Cth)* on insider trading.

This policy is not limited to insider trading in the Company's securities. It includes trading the securities of other companies, or customers or suppliers, or those with whom the Company may be negotiating major transactions. Information that is not material to the Company may nevertheless be material to one of those other companies.

IF ANY PERSON TO WHOM THIS POLICY APPLIES DOES NOT UNDERSTAND ANY PART OF ITS CONTENTS, THEY SHOULD RAISE THE MATTER WITH THE COMPANY SECRETARY BEFORE DEALING IN ANY SECURITIES COVERED BY THIS POLICY.

### Who is covered by this policy?

This policy applies to all Directors, the Company Secretary and to all executives and employees of the Company and associated entities (the 'Broncos Group') with Inside Information, and places additional restrictions on all Key Management Personnel.

The person does not need to be a Director or an employee of the Company to be guilty of insider trading in relation to the securities of the Company. The policy also covers dealings by Directors and employees through nominees, agents or other associates such as family members, family trusts, superannuation funds and family companies.

Key Management Personnel has the meaning in Accounting Standard AASSB124 Related Party Disclosure. As at the date of this policy, it meant all persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly, including any director (whether executive or otherwise) of the Company.

### Insider trading restrictions

If a person covered by this policy has Inside Information relating to the Company and they know or ought reasonably to know that it is Inside Information, it is illegal for the person to:

- Trade in the Company's securities
- Advise or procure another person to trade in the Company's securities; or
- Pass on inside information to a third party – including colleagues, family or friends where it is known, or reasonably should have been known, that the third party will use that information to trade in the Company's securities.



This offence called 'insider trading', can subject a guilty person to criminal liability including large fines and/or imprisonment, and civil liability, which may include being sued by another party or the Company for any loss suffered as a result of illegal trading.

### Insider trading is prohibited at all times

If a person possesses Inside Information, they must not buy or sell the Company's securities, advise or procure others to do so or pass on the inside information to others. The prohibition applies regardless of how the person learnt of the information.

### What is inside information?

Inside information is information that:

- Is not generally available to the market; and
- If it were generally available, it would – or would be likely to have a material effect on the price or value of any company's securities or influence investors in deciding whether to buy or sell Company securities.

It does not matter how or where the person obtains the inside information. It does not have to be from the Company or about the Company to constitute Inside Information. It can be overheard in a social situation or an informal environment within the Company. The definition of information is wide enough to include rumours, matters of supposition, intentions of a person and information which is insufficiently definite to warrant disclosure to the public.

### What are some examples of insider trading?

The following list is illustrative only and is not exhaustive. Inside Information could include:

- The financial performance of the Broncos Group against its budget;
- Financial information contained in management accounts;
- A possible change in the strategic direction of the Broncos Group;
- A possible major acquisition or disposal of assets;
- A proposed dividend;
- Senior management changes;
- The threat of major litigation against the Company;
- The Company's sales and profit results materially exceeding or falling short of the market's expectations;
- A material change in debt, liquidity or cash flow;
- The granting (or loss) of a major contract; and
- A share issue proposal.

### Confidential information

Employees and directors also have a duty of confidentiality to the Company. A Director or employee must not reveal any confidential information concerning the Company, use that information in any way which may cause loss to the Company, or use that information to gain an advantage or themselves or anyone else. Directors and employees should ensure that if confidential information is required to be provided to external advisers that they are also aware they have a duty of confidentiality to the Company.

### **Additional trading restrictions on Key Management Personnel**

Additional restrictions on trading in the Company's securities apply to the Key Management Personnel of the Company.

Key Management Personnel are in positions where it may be assumed that they have inside information (even if they do not have actual inside information at the time).

### **Trading by Key Management Personnel**

Key Management Personnel are prohibited from trading in the Company's securities during the following specific 'closed periods'.

- Midnight 30 June until after the half-year results are released; and
- Midnight 31 December until after the full-year results are released.

Key Management Personnel are only permitted to trade the Company's securities during any other period if they have complied with the notification requirements of this policy.

### **Requirements before trading in Company securities**

At all times before trading in the Company's securities, Key Management Personnel must, in writing:

- Notify the Chairman or Company Secretary of their intention to trade in securities;
- Confirm that they do not hold inside information; and
- Confirm that there is no known reason to preclude the trading in the Company's securities.

### **Requirements after trading in Company Securities**

Once a Key Management Personnel has completed a trade in the Company's securities, the Company Secretary must be:

- Advised that the trade has been completed; and
- In the case of Directors of the Company, provided with sufficient information to enable the Company to comply with the requirements to notify a change of interests to the ASX.

ASX Listing Rules and the Corporations Act require the Company to notify dealing in securities by Directors within 5 business days.

### **Closed period trading requests**

Key Management Personnel are prohibited from trading in the Company's securities during the closed periods unless exceptional circumstances arise which include:

- Where a person is suffering severe financial hardship or a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant securities; or
- A person is required by a court order, court enforceable undertakings, or other overriding legal or regulatory requirement to transfer or sell the securities of the Company.



Key Management Personnel must not trade in securities during a closed period unless they have notified their request to the Chairman in writing in advance and received written clearance to do so. Electronic communication via email is sufficient for these purposes.

In the case of the Chairman, any notification required must be made to the Board through the Company Secretary.

#### Exclusions

The following are excluded from the operation of this trading policy:

- Transfers of securities of the Company where the trading results in no change to the beneficial interest in the securities;
- Transfers of securities via investments in a scheme or other arrangement where the investment decisions are exercised by a third party;
- Transfers where the key management personnel has no control or influence with respect to trading decisions; or
- Transfers where the trading occurs under an offer to all or most of the security holders of the Company e.g. the acceptance of a takeover offer.

#### Penalties for non-compliance

Insider trading is a criminal offence punishable by a significant fine or imprisonment or both.

Non – compliance will be treated seriously by the Company and breaches of this policy, whether or not they result in a breach of the law, will be subject to disciplinary action, which may include termination of employment.