

Trading Policy

FlexiGroup Limited (the “Company”)

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Trading Policy

1 Purpose

1.1 Scope of this document

This document summarises the law relating to insider trading and sets out the Company's trading policy on buying and selling securities of the Company including shares, options, derivatives, managed investment products and superannuation products ("**Securities**") of the Company.

1.2 Who does the trading policy apply to?

The Company's Board of Directors has adopted this trading policy which applies to all directors, officers, senior management and other employees of the Company ("**Staff**"). It is important to remember that although this trading policy only applies to the persons specified above, the insider trading prohibitions set out in the Corporations Act 2001 (Cwlth) ("**Corporations Act**") and discussed in Part 2 below, apply to **all** persons (including members of your family).

1.3 Further advice

If you do not understand the summary of the law relating to insider trading set out below or this trading policy, or if you are confused as to whether the law applies to you, please contact the Company Secretary on (02) 8905-2045. You may wish to seek your own professional legal advice before dealing in the Company's Securities.

2 The Corporations Act

2.1 The insider trading prohibitions

If you have Inside Information (as defined in paragraph 2.2 below) relating to the Company it is illegal for you to:

- (a) deal in (that is, apply for, acquire or dispose of) the Company's Securities or enter into an agreement to do so; or
- (b) procure another person to apply for, acquire or dispose of the Company's Securities or enter into an agreement to do so; or
- (c) directly or indirectly communicate, or cause to be communicated, that information to any other person if you know, or ought reasonably to know, that the person would or would be likely to use the information to engage in the activities specified in paragraphs (a) or (b) above.

These prohibitions apply equally to the application for, grant, exercise or transfer of an option over the Company's Securities.

It does not matter how or in what capacity you become aware of the Inside Information. It does not have to be obtained from the Company to constitute Inside Information.

You cannot avoid the insider trading prohibition by arranging for a member of your family or a friend to deal in the Company's Securities nor may you give "tips" concerning Inside Information relating to the Company to others, including customers.

2.2 What is Inside Information?

Inside Information is information relating to the Company which is not generally available but, if the information were generally available, would be likely to have a material effect on the price or value of the Company's Securities ("**Inside Information**"). Inside Information can include matters of speculation or supposition and matters relating to intentions or likely intentions of a person.

Information is regarded as being likely to have a material effect if it would, or would be likely to, influence persons who commonly invest in securities or other traded financial products in deciding whether or not to deal in the Company's Securities.

Examples of Inside Information could be:

- (a) the financial performance of the Company against its budget;
- (b) changes in the Company's actual or anticipated financial condition or business performance;
- (c) changes in the capital structure of the Company, including proposals to raise additional equity or borrowings;
- (d) proposed changes in the nature of the business of the Company;
- (e) changes to the Board of Directors or significant changes in senior management;
- (f) an undisclosed significant change in the Company's market share;
- (g) likely or actual entry into, or loss of, a material contract;
- (h) material acquisitions or sales of assets by the Company;
- (i) a proposed dividend or other distribution or a change in dividend policy; or
- (j) a material claim against the Company or other unexpected liability.

2.3 When is information generally available?

Information is generally available if:

- (a) it consists of readily observable matter or deductions;

- (b) it has been brought to the attention of investors through an announcement to ASX Limited (“**ASX**”) or otherwise similarly brought to the attention of investors who commonly invest in securities, and a reasonable period has elapsed since it was announced or brought to investors’ attention; or
- (c) it consists of deductions, conclusions or inferences made or drawn from information referred to in paragraphs (a) or (b) above.

Examples of possible readily observable matters are:

- (a) a change in legislation which will affect the Company’s ability to make certain types of investments; or
- (b) a severe downturn in global securities markets.

2.4 What are the consequences if you breach the insider trading prohibitions?

Breach of the insider trading laws may subject you to:

- (a) criminal liability - penalties include heavy fines and imprisonment; and
- (b) civil liability - you can be sued by another party or the Company for any loss suffered as a result of illegal trading activities.

Breach of the law or this trading policy or both will also be regarded by the Company as serious misconduct which may lead to disciplinary action or dismissal.

3 The Company’s Trading Policy

3.1 What does this trading policy apply to?

This trading policy applies to all information relating to the Company’s Securities.

3.2 General prohibitions

If you possess Inside Information concerning the Company’s Securities, you must not:

- (a) deal in the Company’s Securities or enter into an agreement to do so;
- (b) procure another person to do anything specified in paragraph (a); or
- (c) pass on that information to anyone who is likely to engage in the activities specified in paragraphs (a) or (b) above.

These general prohibitions are overriding obligations and apply at all times, despite all other terms of this trading policy.

3.3 Closed Periods

In addition to ensuring compliance with the prohibitions on insider trading, as set out in this policy, “**Key Management Personnel**”, being a director of the Company, the Managing Director, Chief Executive Officer, Chief Financial Officer, any direct reports to the Chief Executive Officer, and such other persons as the Company Secretary nominates (each a “**Designated Person**”) must also not deal in the Company’s Securities during the following Closed Periods:

- (a) the period from the close of trading 30 days before 31 December each year, up to 2 days after the Company’s half-year results announcement is released to the market following its lodgement with ASX; and
- (b) the period from the close of trading 30 days before 30 June each year, up to 2 days after the Company’s annual results announcement is released to the market following its lodgement with ASX.

3.4 Prior notification

If a Designated Person proposes to deal in the Company’s Securities (which includes entering into an agreement to deal) they must first:

- (a) complete and forward a “**Notification Form to Deal in the Company’s Securities**” in the form of Part A of Schedule 1 to the “**Notification Officer(s)**” (as defined in Schedule 2); and
- (b) receive confirmation in the form of Part B of Schedule 1, signed by the Notification Officer(s) in their discretion, to allow them to deal in the Company’s Securities.

The notification must state that the proposed dealing in the Company’s Securities is not as a result of access to, nor the receipt of, Inside Information.

Notification of any dealing in the Company’s Securities under this paragraph and the completion of Part B of the Notification Form to Deal in the Company’s Securities does not constitute approval of the dealing by or on behalf of the Company.

3.5 Confirmation

In addition to providing advance notice under paragraph 3.3, Key Management Personnel must confirm in writing to the relevant Notification Officer(s) when the dealing in the Company’s Securities has occurred, the number of Securities affected and the relevant parties to the dealing.

3.6 Extension of trading policy

The Board of Directors may also from time to time extend this trading policy by specifying that Staff are also restricted from dealing in the Securities of other specified companies with which the Company may have a close relationship.

4 Other prohibitions

4.1 Dealing in financial products issued over the Company's Securities by third parties

Key Management Personnel are not permitted to deal at any time in financial products such as options, warrants, futures or other financial products issued over the Company's Securities by third parties such as banks and other institutions. An exception may apply where the Company's Securities form a component of a listed portfolio or index product.

4.2 Limiting economic risk

Key Management Personnel are not permitted to enter into transactions in products associated with the Company's Securities which operate to limit the economic risk of their security holding in the Company over unvested entitlements (eg hedging arrangements).

4.3 Securities of other entities

Key Management Personnel are not permitted to deal at any time in Securities of another entity if they possess Inside Information about that entity due to their role within the Company.

5 Confidential Information

You must treat all sensitive, non-public information ("**Confidential Information**") about the Company as confidential and belonging to the Company. You must not disclose Confidential Information to others (including family members, relatives, business or social acquaintances) except as authorised or legally required. You must avoid inadvertent or indirect disclosure of Confidential Information. Even within the Company, Confidential Information should be distributed to or discussed with others only on a need-to-know basis, and those people must be told that the information is confidential. Be careful that your conversations are not overheard in elevators, aeroplanes or other public places. Do not leave Confidential Information on conference tables, desks or otherwise unguarded; and take whatever steps which are reasonably necessary to keep Confidential Information from being disclosed except as authorised or legally required.

6 Employment and monitoring of compliance

All new employees will be required to complete an "**Acknowledgment by Employee/Director**" (in the form of Schedule 3) as part of their induction procedure. All new directors will be required to provide this completed form to the Company Secretary.

7 Review and publication of this policy

The Company's Board of Directors will review this policy from time to time. This policy may be amended by resolution of the Board.

A copy of the Company's trading policy will be distributed to all employees and directors (present and future) and will also be available on the Company's website. It is the responsibility of each such person to comply with this policy.

8 Where can I obtain further information?

If you require any further information or assistance, or are uncertain about the application of the law or this trading policy in any situation, please contact the Company Secretary.

Schedule 1 - Notification Form to Deal in the Company's Securities

Part A - For completion by Designated Person

Name of Designated Person	
Description of Securities (ie number and class of Securities)	
Nature of agreement/dealing (sale/purchase/subscription)	
Proposed date of transaction (ie completion date)	

I confirm that:

- (a) I am not in possession of any unpublished information which, if generally available, might materially affect the price or value of the Company's Securities; and
- (b) the transaction in the Company's Securities described above does not contravene the trading policy of the Company dated [*insert date*].

Signed:.....

Dated:

Part B - For completion by Notification Officer

I confirm that I am not aware of any circumstances pursuant to which the Designated Person named above is, or is likely to be, in possession of unpublished information which, if generally available, might materially affect the price or value of the Company's Securities.

Name:

Title:.....

Signature:.....

Dated:

After Part A of this form is completed, this form is to be sent to the Company Secretary or other applicable Notification Officer(s).

Schedule 2 - Notification Officers

In this policy the relevant Notification Officer(s) for each of the Designated Persons is as set out in the table below:

Designated Person	Notification Officer(s)
Chairman	John DeLano and John Skippen
Managing Director or Chief Executive Officer	Margaret Jackson
Non-executive Directors	Margaret Jackson
Company Secretary	John DeLano
All other Designated Persons	Garry McLennan or David Stevens

Schedule 3 - Acknowledgment by Employee/Director

I have read and understood the FlexiGroup Limited trading policy (“**Trading Policy**”) and agree to be bound by and to comply with the Trading Policy as amended or replaced from time to time.

Signature:.....

Name:.....

Business Unit:.....

Dated:

Please return completed form to the Company Secretary.