



**Propel Funeral Partners Limited
(ACN 616 909 310)
(Company)**

1. Security Trading Policy

1.1. Policy

The directors of the Company (each a **Director**, and together the **Board**) has established the following policy to apply to trading in the Company's shares on the Australian Securities Exchange (**ASX**). This Security Trading Policy applies to those persons defined below as "*Restricted Persons*" of the Company. Restricted Persons to whom this Security Trading Policy applies must restrict their dealing in the Company's securities within the Company trading window established by this Security Trading Policy. Any breach of this Security Trading Policy will be regarded as serious and will be subject to appropriate sanctions.

Securities have the meaning given to it in section 92 of the *Corporations Act 2001 (Cth)* (**Corporations Act**), and includes in shares, options or debentures in the Company.

In addition to the requirements of this Security Trading Policy, all Restricted Persons (as defined below) must also comply with the Insider Trading Policy in section 2 below.

1.2. Restrictions on trading

This Security Trading Policy and the restrictions on trading in the Company's securities set out below applies to the following representatives of the Company (**Restricted Persons**):

- (a) the Board;
- (b) employees and officers of Propel Investments Pty Limited (ACN 117 536 357) (**Manager**), whilst the agreement between the Company and the Manager dated 11 September 2017 (as amended from time to time) (**Management Agreement**) is in force;
- (c) employees of the Company who work out of the Manager's office, whilst the Management Agreement is in force; and
- (d) the secretary of the Company (**Company Secretary**).

The Restricted Persons are to be subject to restrictions on trading in the Company's securities at certain times of the year. Restrictions also apply where any Restricted Person is exposed to inside information in the course of their duties in accordance with the Insider Trading Policy (see section 2 below).

1.3. Associated Parties

Each Restricted Person has a personal responsibility to ensure that his or her "associated parties" (being immediate family (including a spouse (or equivalent) or dependent), family company or trust) complies with the same respective restrictions as apply to Restricted Persons.

1.4. Prohibition on Restricted Persons dealing in Securities

In addition to the overriding prohibition on dealing when a person is in possession of inside information in accordance with the Insider Trading Policy (see section 2 below), Restricted Persons and their associated parties are prohibited (unless otherwise agreed to by the Board) from dealing in securities during the following periods:

- (a) from 1 January to the close of trading on the business day after the Company's half yearly results are announced to the ASX; and
- (b) from 1 July to the close of trading on the business day after Company's annual results are announced to the ASX.

For the avoidance of doubt, it is emphasised that Restricted Persons may not deal whilst in the possession of "Inside Information" (see section 2).

1.5. Notification rules in relation to dealing in shares

Restricted Persons are required to notify the Company of intended dealings in the Company's securities, by themselves or their associated parties, prior to such intended dealings. This should be done by written notice to the Company Secretary outlining the:

- (a) name of the shareholder;
- (b) type of proposed transaction (purchase, sale, etc.); and
- (c) number of shares involved.

The Company Secretary will confer with the chairperson of the Board (**Chairperson**) in relation to any proposed dealing.

The Chairperson and the Company Secretary must keep a written record of any information received from a Restricted Person in connection with this Security Trading Policy and any clearance or refusal to grant clearance given under this Security Trading Policy.

1.6. Directors to notify the ASX of shareholding

The Directors are required to complete, or request that the Company Secretary completes, necessary forms to be filed with the ASX in respect of their shareholding in the Company for the purposes of section 205G of the Corporations Act and the Listing Rules.

1.7. Exceptional Circumstances

In exceptional circumstances, and where it is the only reasonable course of action available to a Restricted Person, clearance may be given for the Restricted Person to sell (but not to purchase) shares in the Company when that person would otherwise be prohibited from doing so. In this section, "*exceptional circumstances*" means severe financial hardship, a court order (or court enforceable undertaking), or some other overriding legal or regulatory requirement, to transfer or sell shares in the Company or other circumstances that may be deemed exceptional by the Chairperson. For example, a Restricted Person may be in severe financial hardship if he or she has a pressing financial commitment that cannot otherwise be satisfied other than by disposing of the shares in the Company.

The Chairperson may not give clearance under this exception if there is a matter about which there is inside information in relation to shares in the Company (whether or not the Restricted Person knows

about the matter) when the Restricted Person requests clearance or proposes to deal in shares in the Company.

The Chairperson or the other Directors (where the Chairperson is involved) will decide if circumstances are exceptional.

Any clearance given by the Chairperson (or the other Directors (where the Chairperson is involved)) in accordance with this section must be in writing (which may be in the form of an email). The Chairperson (or the other Directors (where the Chairperson is involved)) must determine, and specify in the written clearance, the maximum duration of the clearance.

1.8. Trading not subject to this Security Trading Policy

The following dealings are not subject to the provisions of this Security Trading Policy in respect of the Company:

- (a) undertakings or elections to take up entitlements under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- (b) the take up of entitlements under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- (c) allowing entitlements to lapse under a rights issue or other offer (including an offer of shares in lieu of a cash dividend);
- (d) the take up of shares pursuant to a dividend reinvestment plan;
- (e) the sale of sufficient entitlements to allow take up of the balance of the entitlements under a rights issue;
- (f) undertakings to accept, or the acceptance of, a takeover offer or pursuant to a scheme of arrangement implemented in accordance with section 411 of the Corporations Act;
- (g) the purchase of shares or the communication of information pursuant to a requirement imposed by law;
- (h) bona fide gifts to a Director by a third party;
- (i) transfers of securities in the Company already held into a superannuation fund or other saving scheme in which the Restricted Person is a beneficiary;
- (j) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the entity) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (k) where a Restricted Person is a trustee, trading in the securities of the entity by that trust provided the Restricted Person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the Restricted Person; and
- (l) 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 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.

1.9. Hedging and margin loans

Although the Board may introduce restrictions in the future, there is no restrictions on:

- (a) Restricted Persons entering into hedging arrangements; or
- (b) Restricted Persons including his or her securities in the Company in margin loan portfolio or otherwise deal in securities of the Company pursuant to a margin lending arrangement.

2. Insider Trading Policy

2.1. Policy

The Board has established this Insider Trading Policy to apply to trading in the Company's securities on the ASX.

This Insider Trading Policy applies to all persons, including Directors and employees and officers of the Manager. A person must not deal in the Company's securities while in possession of price sensitive information.

In addition, this Insider Trading Policy sets out additional restrictions which apply to Directors and employees and officers of the Manager.

The law imposes a number of significant restrictions on Directors and employees and officers of the Manager when they deal in the Company's securities. As fiduciaries, these persons must not utilise their position for their own gain or for the gain of any person other than the Company.

The Corporations Act imposes severe penalties (both criminal and civil) on persons who conduct insider trading activities. Any perception of improper conduct by Directors and employees and officers of the Manager also has the potential to substantially damage the Company's reputation.

The Company has established this Insider Trading Policy in an effort to prevent the incidence of insider trading in the Company's securities. This Insider Trading Policy provides a general summary of the law in Australia in relation to insider trading, and as such operates in addition to the legal requirements. It is the personal responsibility of each Director and employees and officers of the Manager to comply with this Insider Trading Policy.

2.2. Overview of the insider trading provisions in the Corporations Act

It is illegal for anybody to deal in any securities of a body corporate (including the Company), when in possession of information that the person knows, or ought reasonably to know:

- (a) is not generally available (including information that the Company has not disclosed to the market in accordance with the Company's continuous disclosure policy); and
- (b) might have material effect on the price or value of those shares if it was generally available (**Inside Information**).

This prohibition extends to procuring another person to deal and, in the case of securities of listed corporations, extends to communicating the Inside Information to another person, if the person knows, or ought reasonably to know, that the other person would, or would be likely to, deal in the securities in question or procure another person to do so. To communicate Inside Information to another person is also an offence which carries both civil and criminal penalties.

A Director or employee or officer of the Manager in possession of Inside Information about the Company has a duty to keep that information confidential and must not in any way disclose or communicate that information to any person.

2.3. Dealing with security analysts, institutional investors and journalists

A Director or employee or officer of the Manager may be exposed to others outside the Company such as security analysts, institutional investors and journalists. It is important that all Directors and

employees and officers of the Manager be aware that selective disclosure of non-public information may result in a breach of the insider trading rules.

It is important to emphasise that it is the mere fact of conveyance of the material non-public information that gives rise to liability, not the manner in which it is conveyed.

It is possible to convey information in breach of this Insider Trading Policy and the Corporations Act by expressing subjective attitudes about the Company's performance or by calling attention to selective information not available as an aggregate to the general public. It is essential to avoid the indirect conveyance of information by any means whatsoever.

If during the course of a discussion with any analyst, journalist or other outsider, material non-public information concerning the Company is disclosed, inadvertently or otherwise, the recipient of the information should be informed of its non-public nature and cautioned against its use unless and until the Company has made full public disclosure of the information. The Company Secretary should be notified of the situation immediately so that a decision can be made regarding disclosure of the information.

No public comments should be made regarding any previously undisclosed operating results or other developments unless authorised by the Company.