

8IP Emerging Companies Limited

Securities Trading Policy

4 OCTOBER 2018

1. APPLICATION

(a) This Policy is authorised by the Board of Directors (**Board**) of 8IP Emerging Companies Limited ACN: 608 411 347 (the **Company** or **8EC**) and applies to:

- (i) Directors of the Company;
- (ii) Directors of the appointed Investment Manager - Eight Investment Partners Pty Ltd ABN 22 139 616 783 (**Eight Investment Partners**); and
- (iii) Eight Investment Partners' staff - which includes permanent, part-time and casual employees and any contractors or consultants working at Eight Investment Partners' premises;

collectively referred to in this Policy as "8EC Persons".

(b) This Policy also applies to a person or entity which is under the 'control' (as defined in section 50A of the *Corporations Act 2001* (Cth)) (the **Act**) of an 8EC Person.

(c) This Policy has been adopted by the Board.

2. SCOPE AND OBJECTIVE

(a) This Policy applies to trading in 8EC Securities.

(b) This Policy establishes when, and under what requirements, 8EC Persons may buy or sell 8EC shares and any other securities issued by the Company (from time to time), as well as trading financial products (e.g. derivatives) that are issued or created over 8EC shares by third parties and trading in associated products (together **8EC Securities**).

(c) This Policy forms part of 8EC compliance framework and is aimed at preventing actual or perceived conflicts of interest and maintaining the reputation of the Company and Eight Investment Partners.

3. TRADING RESTRICTIONS

(a) 8EC Persons are prohibited from trading in 8EC Securities, and may not procure others to trade (including on their behalf), whilst aware of unpublished 'price-sensitive information' - i.e. information that a reasonable person would expect to have a material effect on the price or value of 8EC Securities.¹

¹ It is noted that the Company's investment portfolio is invested in a similar manner to the 8IP Australian Small Companies Portfolio (the Portfolio), a managed discretionary account offered by Eight Investment Partners. The daily movement of the Portfolio's value is a broad indicator (but not a perfect match) of the daily movement in the Company's net asset value (**NAV**).

- (b) 8EC Persons are prohibited from trading in 8EC Securities, and may not procure others to trade (including on their behalf) during the following periods:
 - (i) from 1 January (each year) until the next business day after announcement of the half-yearly financial results of the Company to the ASX (usually around mid-February each year);
 - (ii) from 1 July (each year) until the next business day after announcement of the annual financial results of the Company to the ASX (usually around mid-August each year);
 - (iii) outside of the period set out in 3 (c) below and
 - (iv) any other "black-out period" notified by Eight Investment Partners' Compliance Officer or in their absence by 8EC's Company Secretary after being so authorised by a Company director.

Each of the above is a "Closed Period".

- (c) 8EC persons may, subject to other clauses in this Policy, trade in 8EC Securities during the period of the first ten business days after the release of any prior month NTA.
- (d) 8EC Persons are not permitted to actively trade in 8EC Securities. 8EC Securities are to be held for a minimum period of six months (other than for transfers between related parties or in Exceptional Circumstances as detailed in Clause 4b) below.
- (e) 8EC Persons must comply with market prohibitions – applicable references to the Act include, and are provided in Section 6 of this Policy.

4. **TRADING PRE-CLEARANCE**

8EC Persons are required to obtain pre-authorisation to trade 8EC Securities from the Chair or in his / her absence another director of the Company. The Chair is required to obtain pre-authorisation from another director of the Company before placing any trades in 8EC Securities in the market. Company directors are required to report their trades in 8EC Securities to 8EC's Company Secretary within 5 business days of the trade date.

(a) **Trade Confirmation**

8EC Persons must provide a trade confirmation to Eight Investment Partners' Compliance Officer within 5 business days of the trade date.

(b) **Exceptional Circumstances for Dealing in Securities**

8EC Persons wishing to trade 8EC Securities during a Closed Period or within six months of the acquisition of such shares may apply in writing to 8EC's Company Secretary. 8EC's Company Secretary, after consultation with the Board, will generally refuse to provide prior written consent to deal in 8EC Securities during a Closed Period or within six months of the acquisition of such shares unless there are exceptional circumstances such as financial hardship or a court order requiring the sale of 8EC Securities.

5. **EXCEPTIONS FOR CERTAIN TRADING**

For this policy:

- (a) a **close family member** of an 8EC Person means a spouse or de facto, any minor children or children living with the 8EC Person (including children of the 8EC Person's spouse or de facto); and
- (b) a **closely connected entity** of an 8EC Person means any family company or family trust that the 8EC Person or their Close Family Members may control or have an interest in,

(together **Closely Connected Persons**).

As an exception to the restrictions in Section 3 (b), 8EC Persons are permitted to trade 8EC Securities in the following circumstances:

- (a) transfers of 8EC Securities to a Closely Connected Person or an 8EC Person's superannuation fund, in respect of which prior clearance has been obtained as set out in Section 4;
- (b) a disposal of 8EC Securities arising from the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
- (c) a disposal of rights acquired under a pro rata issue;
- (d) an acquisition of 8EC Securities under a pro rata issue;
- (e) an acquisition of 8EC Securities under a security purchase plan or dividend purchase plan where the 8EC Person did not commence or amend their participation in the plan during a blackout period; and
- (f) an acquisition of 8EC Securities under an employee incentive scheme (however, the additional restrictions in this policy apply to any subsequent trade of any 8EC Securities issued to (or for the benefit of) an 8EC Person under an employee incentive scheme).

8EC Persons are reminded that they must still comply with the insider trading laws even where they would otherwise be permitted by this Section 5, or otherwise to trade in 8EC Securities.

6. **MARKET PROHIBITIONS**

(a) **Insider Trading**

Section 1043A of the Act prohibits 'insider trading'.

(b) **Market Misconduct**

The 'market misconduct' provisions of the Act prohibit certain trading behaviour and activity:

- (i) market manipulation - s.1041A;
- (ii) false trading and market rigging - s.1041B and s.1041C;
- (iii) dissemination of information about illegal transactions - s.1041D;
- (iv) false or misleading statements - s.1041E;
- (v) inducing persons to deal - s.1041F; and
- (vi) dishonest conduct - s.1041G.

It is illegal for 8EC Persons to carry out market conduct that is in direct contravention of these provisions. Breaches of the Act could expose the person to civil and criminal liability.

7. **COMPLIANCE**

Breaches of this Policy may result in disciplinary action against the relevant 8EC Person including dismissal in serious cases.

8. **QUESTIONS**

Any questions in relation to this Policy should be referred to 8EC's Company Secretary.