

Sequoia Financial Group Share Trading Policy

Contents

1. Introduction 3

2. Purpose. 3

3. Definitions. 3

4. Restrictions On Dealing 4

5. Dealing In Exceptional Circumstances 4

6. Exempt Dealing 5

7. Margin Lending 5

8. Derivative Products 5

9. Short Term Dealings 5

10. Provision Of Advice 5



1. Introduction

1.1 The Sequoia Financial Group Limited (“the Company”) Share Trading policy regulates dealings by the Company’s directors, officers and employees in shares, options and other securities issued by the Company.

2. Purpose

- 2.1 The purpose of this policy is to ensure that the Company’s directors, officers, consultants, members of senior management and other employees are aware of the legal restrictions on trading shares, options or other securities in the Company while such a person is in possession of unpublished price-sensitive information concerning the Company.
- 2.2 Additionally, the policy is intended to minimise the chance that misunderstandings or suspicions arise that the Company’s directors, officers, consultants, members of senior management and other employees are trading while in possession of unpublished price sensitive information.
- 2.3 This policy reflects the legislative position that it is illegal for a person to trade in the Company’s Securities when he or she possesses unpublished price-sensitive information concerning the Company. This is regardless of whether the terms of this policy have been complied with.

3. Definitions

“**Associate**” has the same meaning as in section 9 of the Corporations Act 2001 and in relation to a person includes the person’s spouse, defacto, family members, controlled trusts and companies or other third parties contemplating dealing in Securities on behalf of the person.

“**Closed Period**” means any fixed period specified in the trading policy when the Company’s Key Management Personnel and Relevant Employees are prohibited from trading in the Company’s Securities.

“**Chairman**” means the person who is from time to time appointed by the Board as Chairman of the Company.

“**Company**” means SFG Financial Group Limited and its related entities.

“**Company Secretary**” means the person who is from time to time appointed by the Board as Company Secretary of the Company.

“**Dealing**” includes any subscription, redemption, purchase or sale of Securities, or any agreement to effect the same; an exercise of an option or other right; or entering into any other form of agreement to acquire or dispose of an interest in Securities.

“**Director**” means a director of the Company.

“**Key Management Personnel**” means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

“**Policy**” means this document.

“**Prohibited Period**” means:

- (a) any closed period;
- (b) any period where the person seeking approval to deal is in possession of unpublished price sensitive information in relation to Securities; or
- (c) any additional periods which are imposed by the Company from time to time when the company is considering matters which are subject to the continuous disclosure obligations of Listing Rule 3.1A.

“**Relevant Employee**” means

- (a) an employee of the Company;
- (b) a director or employee of a related body corporate of the Company;
- (c) a contractor who is not an employee but who provides services or performs functions similar to those usually carried out by employees of the Company and the term of the contract exceeds 6 months.; or
- (d) an Associate of the above.

“**Securities**” means any listed or unlisted shares, debentures, interest, rights, units, or option contracts in the Company.

“**Unpublished price sensitive information**” means information which relates to Securities of the Company that has not been made public and, if it were made public, would, in the opinion of a reasonable person, be likely to have a significant effect on the price or value of any of the Company’s Securities.

4. Restrictions On Dealing

- 4.1 Consistent with the legal prohibitions on insider trading, the Company's Key Management Personnel and Relevant Employees are prohibited from dealing in the Company's Securities at any time that the person is in possession of unpublished price sensitive information concerning the Company irrespective of whether this policy provides that dealing could occur outside of a prohibited period or in accordance with an exclusion to this Policy.
- 4.2 Subject to paragraph 5, Key Management Personnel and Relevant Employees are not permitted to deal in Securities during a prohibited period.
- 4.3 It is assumed, for the purpose of this policy, that the Company's Key Management Personnel and Relevant Employees are, from time to time, likely to be in possession of unpublished price sensitive information by virtue of their position within the Company. Accordingly, unless there are unusual circumstances, as determined by the Board, approval for dealing in the Company's Securities by Directors, Key Management Personnel and Relevant Employees, will be restricted during the following periods:
- (a) From 1 January until 2 business days after the date of release of the Company's half year results with the Australian Securities Exchange;
 - (b) From 1 July until 2 business days after the date of release of the Company's preliminary annual report with the Australian Securities Exchange;
 - (c) From the date of lodgment of the Company's notice of Annual or Extraordinary General Meeting with the Australian Securities Exchange through to 2 business days after the holding of the Company's Annual or Extraordinary General Meeting;
 - (d) during the period when Securities can be acquired under a prospectus issued by the Company; and
 - (e) where the person is in possession of any unpublished price sensitive information.
- 4.4 The Company requires that:
- (a) Directors and the Company Secretary must advise and seek approval of the Chairman of the Board of any proposed dealing in the Company's Securities prior to any dealing and confirm they are not in possession of any unpublished price-sensitive information;
 - (b) Key Management Personnel (other than the Directors and the Company Secretary) and Relevant Employees must advise and seek approval of the Company Secretary or, in his or her absence, the Chairman, of any proposed dealing in the Company's Securities, prior to any dealing and confirm they are not in possession of any unpublished price sensitive information;
 - (c) Where in exceptional circumstances and 24 hours after an approval has been made under paragraphs 4.4(a) or (b) by Key Management Personnel or Relevant Employees and a response has not been received from the Chairman or Company Secretary as appropriate, joint approval may be sought from a Director and the Compliance Manager prior to any proposed dealing in the Company's Securities prior to any dealing and confirm they are not in possession of any unpublished price sensitive information; and
 - (d) The Chairman must advise and seek the joint approval of the Chair of the Audit Committee and one other Director of any proposed dealing in the Company's Securities prior to any dealing in the Company's Securities and confirm they are not in possession of any unpublished price sensitive information.
- 4.5 The above restrictions on dealing do not restrict participation in the Company's employee share and option plans in accordance with the Rules of the relevant plans and the terms of any offer, but apply in respect of dealing in the Company's Securities to which participants become entitled under the plan.
- 4.6 Having already sought approval and undertaken the dealings, Key Management Personnel and Relevant Employees are required to notify the Company Secretary in writing of the completion of any dealings in the Company's Securities within three business days of the trading.
- 4.7 Key Management Personnel and Relevant Employees should not directly communicate price-sensitive information or cause that information to be communicated to another person if they know or ought to reasonably suspect that the other person would be likely to deal in the Company's Securities or to communicate that information to another party.

5. Dealing In Exceptional Circumstances

- 5.1 In exceptional circumstances, approval may be given for a person who is Key Management Personnel or a Relevant Employee to sell (but not to purchase) Securities where they would be otherwise prohibited from doing so only because the proposed sale would fall within a closed period.
- 5.2 While it is evident that what is exceptional cannot always be specified in advance, possible examples include:
- (a) cases of severe financial hardship;
 - (b) the existence of a Court Order or court enforceable undertaking; or
 - (c) an overriding legal or regulatory requirement.
- 5.3 Where the officer responsible for approving the sale is aware of any other reason why the person would be prohibited from dealing by this Policy, approval may not be given.
- 5.4 Determination as to whether an individual's particular circumstances may be deemed exceptional is at the discretion of the Chairman or

the Chair of the Audit Committee and one other Director jointly (where the Chairman is involved) having regard to underlying purpose of this Policy. It is up to the individual seeking approval to deal to satisfy the designated Officer that their circumstances are exceptional and that the proposed sale or disposal of the relevant Securities is the only reasonable course of action available.

- 5.5 Requests to deal in exceptional circumstances must be made in writing setting out the relevant circumstances and forwarded to the Company Secretary. The Company Secretary will forward requests to the person responsible for granting approval. It is the Company's intention that all requests will be answered in writing within 48 hours. Electronic clearance via email is acceptable for the purposes of compliance with this Policy.

6. Exempt Dealing

- 6.1 The following dealings are not subject to the requirements of this Policy:
- (a) transfers of Securities of the Company already held in a superannuation fund or other saving scheme in which the Relevant Employee is a beneficiary;
 - (b) 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;
 - (c) where a Relevant Employee is a trustee, trading in the Securities of the Company by that trust provided the Relevant Employee 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 Relevant Employee;
 - (d) undertakings to accept, or the acceptance of, a takeover offer;
 - (e) dealing under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security repurchase plan, a dividend or distributions 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;
 - (f) a disposal of Securities of the Company that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement; or
 - (g) the exercise (but not the sale of Securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a prohibited period and the entity has been in an exceptionally long prohibited period or the entity has had a number of consecutive prohibited periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so.

7. Margin Lending

- 7.1 Directors, Key Management Personnel and Relevant Employees must receive prior consent from the Chairman before entering into margin loans or other financing arrangements which create a security interest over a significant holding of the Company's Securities. In the case of the Chairman, approval must be obtained from the Chair of the Audit Committee and one other Director jointly.
- 7.2 For the purposes of this Policy, a "significant holding" of Company Securities is a holding of more than 1% of the issued capital of the Company.
- 7.3 If required by the Company, Directors, Key Management Personnel and Relevant Employees must provide the Company Secretary with information relevant to the margin loans or financing arrangements.

8. Derivative Products

- 8.1 Directors, Key Management Personnel and Relevant Employees are prohibited from dealing during prohibited periods in financial products issued or created over or in respect of the Company's Securities.

9. Short Term Dealings

- 9.1 Directors, Key Management Personnel and Relevant Employees must not deal in the Company's Securities with the intention of generating short term gains.

10. Provision Of Advice

- 10.1 Directors, Key Management Personnel and Relevant Employees are aware that the Company is in the business of providing financial advice and share trading activities to its clients. Under no circumstances shall Directors, Key Management Personnel or Relevant Employees, in the business of providing advice to a client, make any recommendation or provide advice to a client, to buy, sell or hold any Securities in the Company.