



# Trading Policy

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0.3	2 August 2010	R. Bosiljevac	

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# TRADING POLICY

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## 1 INTRODUCTION

GEO Property Group (“**GEOPG**”) is a stapled group comprising GEO Property Trust (ARSN 104 482 206) and GEO Property Group Limited (ACN 117 546 326). GEO Management Limited (ACN 116 506 882) is the Responsible Entity of the GEO Property Trust and as such the board of GEO Management Limited is deemed to be the Board of the GEO Property Trust.

To avoid allegations of ‘Insider Trading’ against GEOPG (ASX:GPM), its officers, employees and agents, the Board of Directors have adopted the GEO Property Group Trading Policy (“Policy”) regarding trading in securities issued by GEOPG (“GPM Securities”).

This Policy seeks to ensure compliance with:

- the *Corporations Act 2001*;
- Corporations Regulations 2001;
- Australian Securities Exchange Listing Rules; and
- the ASX Corporate Governance Principles and Recommendations (2nd edition).

## 2 APPLICABLE PERSON

This Policy applies to any Director, Officer, Compliance Committee Member or Employee of GEOPG and any Associated Person of a Director, Officer, Compliance Committee Member or Employee (hereafter referred to as an “Applicable Person”).

For the purposes of this Policy, a person is an “Associated Person” in relation to another person if the first person is acting for or on behalf of, as agent for or at the direction of the other person or any entity controlled by the other person or in respect of which the other person is a director.

The purpose of the Policy is to ensure that all Applicable Persons understand the law in relation to insider trading and the legal and GEOPG imposed restrictions on dealing in GPM Securities whilst in possession of price sensitive information.

## 3 INSIDE INFORMATION

Inside information is defined in section 1042A of the *Corporations Act 2001* (Commonwealth) (“Corporations Act”) as information relating to the entity which is not generally available but would, if the information was generally available, be likely to have a material effect on the price or value of the entity’s securities (“Inside Information”).

See section 8.4 for an explanation of information that is generally available, and section 8.5 for information that is likely to have a material effect on the price or value of securities.

It is illegal for any person to trade in securities or procure another to trade in securities while in possession of Inside Information relating to those securities.

## 4 RESTRICTIONS ON TRADING IN GPM SECURITIES

### 4.1 Trading Windows and Restricted Trading

Any Applicable Person who wishes to:

- trade or apply to trade in GPM Securities; or
- enter into an agreement to trade in GPM Securities; or
- procure another person to trade in GPM Securities, (together “Trading” or “Trade”)

must only do so if they are not in possession of Inside Information regarding GEOPG and they do so during:

- the period beginning on the third trading day after the half yearly/annual financial results for GEOPG are lodged with the ASX and ending four weeks later, provided they follow the Notification procedure in Section 5.1 of this Policy; or
  - the period beginning on the day of GEOPG’s annual general meeting and ending four weeks later, provided they follow the Notification procedure in Section 5.1 of this Policy; or
- ((a) and (b) together being the “**Trading Windows**”)
- all other times other than those within the Trading Windows in (a) and (b) provided they follow the Clearance and Notification procedures in Section 5 of this Policy.

All Trading in GPM Securities by Applicable Persons must comply with the Notification procedure in Section 5.1 of this Policy. Trading at any time outside of the Trading Windows is to be approved via the Clearance procedure in Section 5.2 of this Policy, in addition to complying with the Notification procedure in Section 5.1 of this Policy.

The restriction in this Policy extends to financial products such as options, warrants, futures or other financial products issued over GPM Securities by third parties such as banks and other institutions. The Board of Directors of GEOPG may allow an exception where GPM Securities form a component of a listed portfolio or index product.

It remains the sole responsibility of the Applicable Person to comply with the Insider Trading laws.

### 4.3 Tipping

It is illegal and a breach of this Policy for any person who is in possession of Inside Information or to directly or indirectly communicate, or cause to be communicated, Inside Information to anyone who the person knows, or ought reasonably to know, would or would be likely to use the information to Trade in GPM Securities. This is regardless of whether the Trade falls within or outside any trading window.

### 4.2 Financing Arrangements

Where a director/officer has entered into a margin loan or similar funding arrangement for GPM Securities, information such as the key terms of the arrangements including the number of GPM Securities involved, the trigger points, the right of the lender to sell unilaterally and any other material details must be disclosed through the Notification procedure in Section 5.1 of this Policy. GEOPG will decide, having regard to the nature of its operations and the particular circumstance of the Group, whether the margin loan arrangement is material under ASX Listing Rule 3.1 and requires disclosure.

### 4.3 Trading in other securities

The insider trading provisions are not limited to Inside Information about the Group. A person can be an ‘Insider’ in relation to any financial product purely by virtue of having Inside Information about that financial product. Inside Information about other companies or entities may also be obtained during the performance of duties with GEOPG. Accordingly, where an Applicable Person possesses or may reasonably be considered to possess Inside Information about other financial products, whether related to GEOPG or not, or other entities, they must ensure they comply with the law at all times.

This Policy may, from time to time, be extended by the Board of Directors of GEOPG to restrict Applicable Persons from Trading in securities of other specified entities with which the GEOPG may have a relationship.

#### **4.4 Limiting economic risk**

Applicable Persons are not permitted to enter into transactions in products associated with the GPM Securities which operate to limit the economic risk of their GPM Security holding over unvested entitlements (e.g. hedging arrangements).

### **5 CLEARANCE AND NOTIFICATION PROCEDURES**

#### **5.1 Notification**

At any time when an Applicable Person Trades in GPM Securities, whether within or outside the Trading Windows, they must complete the Notification Form in Appendix B of this Policy and email it to [securityholder@geopg.com.au](mailto:securityholder@geopg.com.au) within [7 business days] of the Trade.

This Notification procedure is also used to comply with a requirement under the Compliance Plan that a register of employee interests in GPM Securities be maintained. This register is maintained by the Company Secretary.

The Company Secretary may, from time to time, request that an Applicable Person complete a declaration in which the Applicable Person discloses any securityholdings or transactions in GPM Securities. When requested, an Applicable Person must promptly and honestly complete such a declaration and return it to the Company Secretary in the manner requested.

Failure to notify through these Notification procedures when an Applicable Person Trades in GPM Securities is a breach of this Policy.

#### **5.2 Clearance**

If an Applicable Person seeks to Trade in GPM Securities outside the Trading Windows, they are required to seek approval by completing the Application for Clearance to Trade in Appendix A of this Policy and email it as soon as practical to [securityholder@geopg.com.au](mailto:securityholder@geopg.com.au).

The giving of clearance to deal is not to be regarded in any way as the giving of advice. The clearance needs to be approved before the Trade by the Chairperson of the Board for all Applicable Persons and by the Chairperson of the Audit and Risk Committee for the Chairperson of the Board.

Trading in GPM Securities outside of the Trading Windows without approval under these Clearance procedures is a breach of this Policy.

### **6 BREACH OF POLICY**

Any contravention of this Policy will be noted by the Company Secretary and reported to the Managing Director and CEO ("MD"). A contravention will also result in a notation on the Employee's personnel file. The MD will advise the Board of contraventions of the Policy and action will be taken as deemed appropriate by the MD, which may involve disciplinary action and could result in dismissal.

Nothing in this Policy shall authorise any person to act in contravention of the insider trading provisions of the Corporations Act 2001.

### **7 DISSEMINATION OF POLICY**

This Policy shall be made available to all Applicable Persons and will be posted on GEOPG's intranet. All Applicable Persons are required to understand their responsibilities, behave ethically and comply with this Policy at all times.

If any other information or assistance is required in relation to this Policy, please contact the Company Secretary.

## 8 SUMMARY OF LEGAL REQUIREMENTS

### 8.1 Insider Trading - The Corporations Act 2001

Chapter 7, Part 7.10, Division 3 of Corporations Act prohibits insider trading. Pursuant to section 1043A of the Act, if a person possesses Inside Information (see Section 3 above) which they know, or ought to reasonably know, is not generally available but, if it were generally available, would reasonably be expected to have a material effect on the price or value of the securities, then that person (an insider) must not:

- (a) apply for, acquire, or dispose of, relevant securities, or enter into an agreement to apply for, acquire, or dispose of, the relevant securities; or
- (b) procure another person to apply for, acquire, or dispose of, securities, or enter into an agreement to apply for, acquire, or dispose of, relevant securities; or
- (c) directly or indirectly, communicate the inside information, or cause it to be communicated, to another person if the insider knows, or ought reasonably to know, that the other person would or would be likely to engage in the kind of conduct described in (a) or (b).

### 8.2 Securities covered by the Insider Trading provisions

The insider trading provisions in the Corporations Act extend to “relevant division 3 financial products” (section 1073A of the Corporations Act). This includes:

- (a) shares in a company;
- (b) debentures of a company or of a responsible entity of a registered scheme;
- (c) interests in a registered scheme that are quoted on the ASX;
- (d) rights (whether existing or future, and whether contingent or not) to acquire, by way of issue, a security referred to in (a), (b) and (c) (whether or not on payment of any money or for any other consideration).

### 8.3 Procure

The term procure includes, but is not limited to, inciting, inducing, or encouraging an act or omission by another person (section 1042F of the *Corporations Act*).

### 8.4 Information that is ‘Generally Available’

As defined by section 1042C of the Corporations Act, information is generally available if:

- (a) it consists of readily observable matter; or
- (b) both of the following subparagraphs apply:
  - (i) it has been known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in securities of a kind whose price might be affected by the information; and
  - (ii) since it was made known, a reasonable period for it to be disseminated among such persons has elapsed; or
- (c) it consists of deductions, conclusions or inferences made or drawn from either or both of the information referred to in (a) or information made known as in (b)(i) above.

**8.5 Material Effect**

If a reasonable person would be taken to expect the information to have a material effect on the price or value of securities if (and only if) the information would, or would be likely to, influence people who commonly acquire securities in deciding whether or not to acquire or dispose of the securities.

**8.6 Penalties**

A failure to comply with insider trading provisions carries severe criminal and civil penalties.

**Criminal:** A breach can attract criminal penalties including fines up to \$220,000 or imprisonment of up to 5 years or both.

**Civil:** Penalty of up to \$200,000 for an individual and \$1 million for a corporation. ASIC may also seek a disqualification order for a corporation found to be in breach of the insider trading provisions.

**9 ACKNOWLEDGMENT**

I have read and understood this document entitled GEO Property Group Trading Policy and agree to be bound by and to comply with it as it is amended or replaced from time to time.

Name: .....

Title: .....

Signature: .....

Date: .....

## Appendix A



## TRADING OUTSIDE THE TRADING WINDOWS

## Application for Clearance to Trade in GEO Property Group Securities (ASX Code:GPM)

<b>Name</b>	
<b>Date</b>	
<b>Name of Proposed Purchaser/Seller/Counterparty</b>	
<b>Nature of agreement/dealing/trading</b>	
<b>Proposed date of transaction (i.e. completion date)</b>	
<b>No. of Securities</b>	
<b>Representation</b>	I confirm that I am not in possession of any information relating to the entity which is not generally available but would, if the information was generally available, be likely to have a material effect on the price or value of GPM Securities, nor by my actions will I have contravened the requirements of the GEO Property Group Trading Policy
<b>Signed</b>	<b>Date</b>
I confirm the request complies with the requirements of the GEO Property Group Trading Policy	
<b>Clearance (outside Trading Windows)</b>	<b>Date</b>

## Appendix B

**Notification of Trading in GEO Property Group Securities (ASX Code:GPM)**

This form is to be used as a notification mechanism under the GEOPG Trading Policy for any Trade in GPM Securities within or outside the Trading Windows specified in the Trading Policy

**Part A – for completion by Applicable Person**

<b>Name</b>		
<b>Date</b>		
<b>Name of Purchaser/Seller/ Counterparty</b>		
<b>Nature of agreement/dealing/ trading</b>		
<b>Date of transaction</b>		
<b>No. of Securities</b>		
<b>Representation</b>	I am not in possession of any information relating to the entity which is not generally available but would, if the information was generally available, be likely to have a material effect on the price or value of the GPM Securities; and the transaction in the GPM Securities described above does not contravene GEOPG's Trading Policy dated 2 August 2010.	
<b>Signed</b>		<b>Date</b>

**Part B – for completion by Company Secretary**

I confirm that I am not aware of any circumstances pursuant to which the Applicable Person named above is, or is likely to be, in possession of information relating to the entity which is not generally available but would, if the information was generally available, be likely to have a material effect on the price or value of the GPM Securities. This confirmation does not constitute approval by GEOPG of the proposed dealing by the Applicable Person noted above.

Name: .....

Title: .....

Signature: .....

Dated: