

Securities Trading Policy

A.P. Eagers Limited

1 Introduction

- 1.1 Directors and employees of A.P. Eagers Ltd and its subsidiaries must not *deal* in a company's *securities* contrary to this policy.
- 1.2 **Deal** means buy, sell, transfer, hedge or otherwise trade.
- 1.3 **Securities** means shares or options, rights, warrants, forward contracts or tradeable financial products in respect of the shares.

2 Insider trading

- 2.1 It is illegal for our Directors and employees to engage in insider trading and you must not do so.
- 2.2 This means that if you have any *inside information* then unless permitted by law you must **not**:
 - (a) *deal* in A.P. Eagers *securities*;
 - (b) advise, encourage, procure or suggest that another person (for example a family member, a friend, a family company or trust) *deal in* A.P. Eagers *securities*; or
 - (c) communicate *inside information* to another person where you have reason to know that person would be likely to *deal in* A.P. Eagers *securities* or procure someone else to do so.
- 2.3 **Inside information** means information which, if it were to be made public, would be likely to materially affect the price or value of A.P. Eagers *securities*. This includes information that would be likely to influence people who commonly buy or sell shares in deciding whether or not to buy or sell A.P. Eagers shares. Examples of *inside information* may include:
 - (a) A.P. Eagers considering a major acquisition or disposal of a business or assets;
 - (b) financial results materially exceeding (or falling short of) the market's expectations;
 - (c) the threat of major litigation;
 - (d) the likely granting (or loss) of a major contract or franchise;
 - (e) a proposed dividend;
 - (f) a proposed new share issue; or
 - (g) a significant change in senior management.

3 Shares in other companies

- 3.1 If through your role at A.P. Eagers you become aware of information that is not publicly available about another listed company but which could have a material effect on the price or value of that other company's *securities*, then you must not deal in the *securities* of that other company.
- 3.2 You may come into possession of the information where you are involved in customer relationship management, assessing new business opportunities or negotiating contracts, for example, where you are aware that A.P. Eagers is about to sign a major agreement with another company that is likely to affect the share price of that company.

4 Trading by Restricted Persons

- 4.1 This section sets out additional rules which apply only to the following persons (referred to as **restricted persons**):
- (a) Directors;
 - (b) CEO;
 - (c) key management personnel (as defined in the ASX listing rules);
 - (d) employees who report directly to the CEO;
 - (e) employees who have access to the monthly management reports (including employees in corporate head office involved in the preparation of those reports); and
 - (f) anyone who the Board or CEO determines to be a '*restricted person*'.
- 4.2 *Restricted persons may deal in securities outside closed periods, subject to clause 4.8.*
- 4.3 *Restricted persons must not deal in securities during closed periods except:*
- (a) (where the *restricted person* is the Chairman,) with the prior written approval of a non-executive Director;
 - (b) (where the *restricted person* is a Director or the CEO,) with the prior written approval of the Chairman (or in his absence, a non-executive Director);
 - (c) (in all other cases,) with the prior written approval of the CEO (or in his absence, the Chairman or Company Secretary).
- 4.4 A **closed period** is any period from:
- (a) 30th June (ie. the end of A.P. Eagers' half year) until either results for that half year are announced or market guidance on the results is given; or
 - (b) 31st December (ie. the end of A.P. Eagers' full year) until either results for that full year are announced or market guidance on the results is given.
- 4.5 When considering whether to approve a *restricted person dealing in securities* during a *closed period* under clause 4.3, any circumstances considered relevant including without limitation the following exceptional circumstances may be taken into account:
- (a) any financial difficulties or other significant or immediate financial commitments of the *restricted person*;
 - (b) any serious injury or illness, natural disaster or act of God affecting the *restricted person*;
 - (c) any legal or regulatory requirement to *deal* in the *securities*; or
 - (d) whether the *restricted person* may have *inside information*.
- 4.6 Requests for approval under clause 4.3 are to be submitted with relevant supporting information, either verbally or in *writing*. The approval may be in *writing* and specify the period in which the *dealing* may occur. **Writing** includes email or any electronic means.
- 4.7 The prohibition in clause 4.3 on *dealing in securities* during *closed periods* will not apply to:
- (a) *dealings* which result in no change in the beneficial interest in the *securities*;
 - (b) *dealings* which occur via investments in schemes or other arrangements where the investment decisions are not exercised by the *restricted person*;
 - (c) *dealings* in respect of which the *restricted person* has no control or influence over the trading decisions;
 - (d) *dealings* which occur under a takeover offer or an offer or invitation to all or most of the *security holders*;
 - (e) *dealings* for the conversion of convertible securities;

- (f) *dealings* to take up entitlements under rights, bonus or pro rata issues or dividend reinvestment plans;
 - (g) *dealings* to take up entitlements or exercise options or rights under employee equity or incentive plans; and
 - (h) the sale of *securities* following the exercise of options or rights under employee equity or incentive plans if the Chairman considers that the sale is necessary to fund the exercise and approves the sale.
- 4.8 *Restricted persons* must **not deal** in *securities* at any time when it would be unlawful to do so, for example, because they have *inside information*. This is paramount and overrides the above provisions.

5 Prohibition on risk elimination

- 5.1 If you participate in an employee equity or incentive plan, you must not hedge or otherwise reduce or eliminate the risk associated with the plan by *dealing* in derivatives, hedging or similar arrangements in relation to *securities* that have not vested or are subject to trading restrictions under the plan, without the Chairman's approval.
- 5.2 Any breach of clause 5.1 will result in forfeiture or lapsing of the unvested *securities* or additional performance hurdles or trading restrictions being imposed, at the Board's discretion.

6 Improper use of position or confidential information

- 6.1 No-one may improperly use their position with A.P. Eagers or its subsidiaries, or any information obtained by virtue of their position, for personal gain or to damage A.P. Eagers or any subsidiary.

7 ASX notification by Directors

- 7.1 This section applies only to Directors.
- 7.2 Under the ASX Listing Rules, A.P. Eagers is required to notify the ASX within five business days of any change in a Director's relevant interests in A.P. Eagers *securities*.
- 7.3 Directors have agreed to inform A.P. Eagers of any change in their relevant interests as soon as reasonably possible and within (3) three business days, to enable A.P. Eagers to comply with its obligation to notify the ASX.

8 Margin Loans

- 8.1 This section applies only to Directors and to any employees nominated by the Chairman or CEO (***senior executives***).
- 8.2 Directors and *senior executives* must not, either personally or through a *related party*, take out *margin loans* without the prior approval of the Board.
- 8.3 Any Director or *senior executive* who takes out a *margin loan* consents to any public disclosure in relation to the *margin loan* that the Board may deem necessary or appropriate from time to time.
- 8.4 ***Margin loan*** means any loan secured against A.P. Eagers *securities* where the lender is protected from falls in the value of the *securities* by a call right over those *securities*.
- 8.5 ***Related party*** means any person, company or other entity under the direct or indirect control of a Director or *senior executive*.