

**Cash Converters International
Limited
Securities Trading Policy**

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1 PURPOSE

The purpose of the Securities Trading Policy is to ensure appropriate governance of the trading in the Securities and other financial products of Cash Converters International Limited (the Company).

The policy has two parts, the first of which (Part A) is applicable not only to all employees but to all persons at all times, in that it reiterates the restrictions applicable at all times under Australian law, specifically the Corporations Act.

The second part (Part B) specifies additional restrictions applicable to directors of the Company and to Senior Executives, the latter being defined as:

- the CEO/MD,
- direct reports to the CEO/MD,
- other executives classified as key management personnel (KMP) under the Corporations Act, and
- may include other individuals as nominated by the Board from time to time.

The use of the term Securities is taken to include all Division 3 financial products as defined below, in relation to the Company.

2 PART A: Policy Applicable to All Persons at All Times

2.1 Corporations Act Restrictions

Section 1043A of the Corporations Act specifies the following prohibited conduct and offenses (summarised):

“Prohibited conduct by a person in possession of inside information:

Subject to this Subdivision, if:

- a) a person (the insider) possesses inside information; and*
- b) the insider knows, or ought reasonably to know, that the matters specified in paragraphs (a) and (b) of the definition of inside information in section 1042A are satisfied in relation to the information;*

the insider must not (whether as principal or agent):

- c) apply for, acquire, or dispose of, relevant Division 3 financial products, or enter into an agreement to apply for, acquire, or dispose of, relevant Division 3 financial products; or*

- d) *procure another person to apply for, acquire, or dispose of, relevant Division 3 financial products, or enter into an agreement to apply for, acquire, or dispose of, relevant Division 3 financial products.*

Note 1: Failure to comply with this subsection is an offence (see subsection 1311(1)). For defences to a prosecution based on this subsection, see section 1043M...

...the insider must not, directly or indirectly, communicate the information, or cause the information 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:

- d) *apply for, acquire, or dispose of, relevant Division 3 financial products, or enter into an agreement to apply for, acquire, or dispose of, relevant Division 3 financial products; or*
- e) *procure another person to apply for, acquire, or dispose of, relevant Division 3 financial products, or enter into an agreement to apply for, acquire, or dispose of, relevant Division 3 financial products.*

Note 1: Failure to comply with this subsection is an offence (see subsection 1311(1)). For defences to a prosecution based on this subsection, see section 1043M."

Section 1042A of the Corporations Act provides the following relevant definitions:

*"**inside information**" means information in relation to which the following paragraphs are satisfied:*

- a) *the information is not generally available;*
- b) *if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of particular Division 3 financial products.*

***Division 3 financial products** means:*

- a) *securities; or*
- b) *derivatives; or*
- c) *interests in a managed investment scheme; or*
- ca) *debentures, stocks or bonds issued or proposed to be issued by a government; or*
- d) *superannuation products, other than those prescribed by regulations made for the purposes of this paragraph; or*
- e) *any other financial products that are able to be traded on a financial market."*

The Corporations Act includes additional material that may be relevant in some circumstances (the above is not complete) and should be referred to for a complete understanding of the relevant sections.

2.2 Examples of Inside Information

Examples of information which may be considered to be "inside information" include the details relating to the items listed below (this is not an exhaustive list):

- a) sales figures;
- b) profit forecasts;
- c) unpublished announcements;
- d) proposed changes in capital structure, including share issues, rights issues and the redemption of Securities;
- e) borrowings;
- f) impending mergers, acquisitions, reconstructions, takeovers, etc;
- g) significant litigation;
- h) significant changes in operations or proposed changes in the general character or nature of the business of the Company or its subsidiaries;
- i) new distributorships, products and technology;
- j) liquidity and cashflow information;
- k) major or material purchases or sales of assets (consideration exceeding \$10,000,000 should be treated as material);
- l) management restructuring or Board of Directors changes;
- m) new significant contracts or customers;
- n) a new entity proposing to buy, or a shareholder proposing to sell, a substantial number of shares in the Company.

3 PART B: Policy Applicable to Directors and Senior Executives

The following applies to directors and Senior Executives as defined above.

3.1 General Principles

Directors and Senior Executives and other employees of the Company and its subsidiaries must conduct themselves in accordance with the following general principles regarding their personal trading of Company Securities:

- a) avoid and be seen to avoid, actual or potential conflict between their personal interest and their duty to the Company and its shareholders,
- b) do not derive personal advantage from information which is not generally available and which has been obtained by reason of, or in the course of, their directorship or employment,
- c) ensure any personal trading is on a scale that reflects your individual financial ability to fund and maintain an appropriately sized portfolio,
- d) ensure any personal trading does not adversely impact on your ability to perform normal duties,
- e) do not utilise broker credit - relevant exchange settlement terms must apply on all occasions and all transactions must be settled according to industry standards,
- f) directors and employees who have access to price sensitive information or "inside information" must not conduct personal trading in Company Securities,
- g) Directors and Senior Executives must notify the Chairman, in relation to any trading of Company Securities at any time, to ensure the Company's and shareholder's interests are not compromised and that the Company is aware of transactions involving such persons.

3.2 Short Term Trading

Notwithstanding the following, directors and Senior Executives of the Company and its subsidiaries may never engage in short term trading of any Company Securities. In general, the purchase of Securities with a view to resale within a 12 month period and the sale of Securities with a view to repurchase within a 12 month period would be considered to be transactions of a "short term" nature. However, the sale of shares after they have been acquired through the conversion of a security (e.g. exercise of an option or right) will not be regarded as short term trading provided that the combined periods over which the security and resulting Shares were held exceeds 12 months.

3.3 Trading Windows

Subject to the below, the only time that any director or Senior Executives may deal in Company Securities is during the six week period following the 24 hours immediately after the:

- h) release by the Company of its half yearly results announcement to the ASX Limited (ASX);

- i) release by the Company of its yearly results announcement to ASX;
- j) release of a disclosure document offering equity Securities in the Company; or
- k) another date as declared by the Board in the circumstances that the Board is of the view that the market can reasonably be expected to be fully informed on that date,

provided that the person is in compliance with Part A above at the time of the transaction (i.e. is not in possession of any inside information as defined above).

3.4 Trading Embargo at All Other Times

The periods between trading windows are known as "closed season" or "blackout periods" in respect of which directors and Senior Executives must refrain from dealing in Company Securities.

Directors and Senior Executives may apply to the Chairman of the Board to trade during blackout periods, for example in the case of financial hardship, or in relation to the application of the force of law. Prudence will dictate that dealings should generally be limited to the recommended times referred to under the Trading Window heading above, and that the Chairman will generally refuse consent to deal in Company Securities outside these recommended times unless special circumstances exist.

Consent by the Chairman to trade during a blackout period does not release any person from the restrictions outlined in Part A, above, which apply to all persons at all times.

3.5 No Hedging (also applicable to Designated Officers)

A director or Senior Executive may not enter into transactions or arrangements which operate to limit the economic risk of their holdings of Company Securities (known as Hedging) at any time during which those Securities are subject to the hedging prohibitions specified in the Corporations Act (section 206J of the Act). Section 206J refers to KMP and specified hedging prohibitions in relation to:

"remuneration that:

- a) has not vested in the member; or*
- b) has vested in the member but remains subject to a holding lock."*

At all other times, a director or Senior Executive may not enter into such an arrangement without the prior consent of the Chairman of the Board, before commencing the transaction. A director or Senior Executive must also provide the Chairman of the Board in with subsequent confirmation of the transaction that has occurred. No prior consent is required prior to a director or Senior Executive participation in a Dividend Reinvestment Plan. These restriction also apply to Designated Officers, being those persons so determined by the Board.

Generally speaking Hedging is discouraged and is explicitly prohibited in relation to any Securities-based remuneration plan or scheme operated by the Company, during the period prior to any resulting Shares becoming unrestricted.

4 EMPLOYEES WHO ARE NOT SENIOR EXECUTIVE

Employees of the Company other than Senior Executives may deal in Company Securities at any time, provide that they are in compliance with Part A of this document. However all employees and their related parties are strongly advised to limit dealing in Company Securities to the Trading Windows referred to above, which will assist the Company to manage stakeholder perceptions of insider trading issues and to limit criticism related to employees trading at other times. If any employee at any time has any reason to believe that a transaction they are seeking to enter into in relation to the Securities of the Company may bring the Company into disrepute, or that a reasonable and independent person may be critical of the appropriateness of such a transaction, then the employee should refrain from completing the transaction and notify the Company Secretary of their intention so that the Company may give guidance regarding whether or not the transaction is permissible.

5 EXERCISE OF OPTIONS, RIGHTS Etc.

Subject to the insider trading provisions of the Corporations Act, directors and employees may at any time:

- a) acquire the Company's ordinary shares by conversion of Securities giving a right of conversion to ordinary shares;
- b) acquire Company Securities under a bonus issue made to all holders of Securities of the same class;
- c) acquire Company Securities under a dividend reinvestment, or top-up plan that is available to all holders of Securities of the same class;
- d) acquire, or agree to acquire, options or rights under a Company share option or rights plan; and
- e) exercise options or rights acquired under a Company Securities-based remuneration plan or scheme (but may not sell all or part of the shares received upon exercise of the options or rights other than in accordance with these procedures).

For clarity, the automatic exercising of Options or Rights that vest in relation to a Securities-based remuneration plan, in accordance with the intended operation of such a plan, does not constitute dealing or trading.

6 ASX NOTIFICATIONS

In accordance with section 205G of the Corporations Act, a director must notify the ASX within 5 days after any change in the director's relevant interest in Securities of the Company or a related body corporate of the Company.

A director must notify the Company Secretary in writing of the requisite information for the Company Secretary to make the necessary notifications to ASIC and ASX as required by the Corporations Act and the ASX Listing Rules. For the purposes of this policy, information in writing includes a letter, a facsimile of a letter or an email attaching a letter.

7 QUERIES

If you have any questions regarding this policy, whether you may be classified as a Senior Executive, or whether a transaction you are considering may be captured by one of the provisions outlined above, please contact the Company Secretary.

8 DOCUMENT CHANGE HISTORY

Effective 1 July 2015