

## Cash Converters International Limited

### Securities Trading Policy

#### 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**), compliance with the insider trading laws under the *Corporations Act 2001* (Cth), protect the reputation the Company in relation to trading in securities by its directors and employees, and prohibit specific types of transactions by certain officers of the Company which are not in accordance with market expectations or may otherwise give rise to reputational risk.

#### 2 SCOPE

This policy applies to all directors, Key Management Personnel ('KMP') and employees of the Company and their associates.

Additional trading restrictions are imposed on KMP and their Associated Parties (as defined in this policy).

#### 3 POLICY

##### 3.1 General restrictions when in possession of inside information

All directors, KMP and employees of the Company are prohibited from:

- a) Dealing in any securities where the person dealing in the securities has inside information in relation to those securities;
- b) Passing on inside information to others who may deal in securities; and
- c) Applying to participate in an Employee Share Plan while in possession of inside information.

Details of the insider trading laws, and some limited exceptions to this policy are included in **Annexure A**. It is the responsibility of each director, KMP and employee, prior to dealing in securities, to consider carefully whether they possess inside information that may preclude dealing at that time and, if in doubt, should refrain from dealing.

From time to time, additional restrictions on dealing in the Company's securities (**Project Restrictions**) may also be imposed, by the Board, on directors, KMP, contractors and employees due to their knowledge of a potential project or transaction.

##### 3.2 Additional restrictions applicable to KMP and Associated Parties

###### 3.2.1 Scope of additional restrictions

The following positions will generally be considered KMP for the purposes of the operation of this Policy:

- Directors
- Senior Executives
- Other management positions inclusive of General Manager level and above.

The following will generally be considered to be 'an Associated Party' and be subject to the additional trading restrictions for the purpose of this Policy:

- immediate or close family members of KMP (for example, a partner or spouse or de facto spouse, children or parents) and any other immediate family members where the KMP has control over their investment decisions;
- any company, trust, managed superannuation fund or other entity that is controlled by KMP or an immediate family member of a KMP referred to above; and
- in relation to directors only, any other person or entity where dealing in the Company's securities by that person or entity would require disclosure to the ASX by the director. This includes where the director:
  - i) controls the right to vote or dispose of the Company's securities; or
  - ii) is entitled to benefit from a contract to call for, or deliver the Company's securities.

### **3.2.2 Dealings by Associated Parties**

KMP must take all reasonable steps to ensure that their Associated Parties do not deal in Company securities without the KMP obtaining approval under this Policy.

### **3.2.3 Process for dealing in securities by KMP**

Without limiting the other provisions of this policy, KMP must complete the following steps if they, or their Associated Parties, wish to deal in the Company's securities, including a dealing of the type described in section 3.2.9 below:

- a) advise the Company Secretary of:
  - i) their intention to deal in the Company's securities; or
  - ii) the intention of one of their Associated Parties to deal in the Company's securities,
  - iii) the details of the type of dealing and the number of securities involved.
- b) confirm to the Company Secretary that the KMP or their Associated Parties do not hold unpublished inside information, and the proposed dealing is not subject to any other restriction under this policy;
- c) await written advice from the Company Secretary (which may be given by email) confirming that there is no known reason to preclude the dealing in the Company's securities;
- d) order/authorise/settle the dealing in the Company's securities within two clear trading days of receiving confirmation from the Company Secretary under section 3.2.3(c); and
- e) following completion of the dealing by the KMP or their Associated Parties, confirm to the Company Secretary that the transaction has occurred and provide the Company Secretary with a copy of the confirmation documentation for the transaction.

For the purpose of section 3.2.3(d) above, if the approval is given during or after trading on one day, the order for the dealing must be lodged or otherwise authorised by the KMP or their Associated Party(ies) or, in the case of an off-market transaction, settled, before the close of trading on the second trading day after the approval is given. If the approval is given prior to the commencement of trading on a particular day, the order for the dealing must be lodged or otherwise authorised by the

KMP or their Associated Party(ies) or, in the case of an off-market transaction, settled, before the close of trading on the following trading day.

### **3.2.4 Conditions of clearance**

With respect to any clearance to deal in the Company's securities requested under section 3.2.3 above:

- a) clearance can be given or refused at the discretion of the Company Secretary, without giving reasons;
- b) clearance can be withdrawn by the Company Secretary at any time prior to the order for dealing being lodged or otherwise authorised, if new information comes to light or there is a change in circumstances;
- c) the decision of the Company Secretary to provide clearance for a dealing is final and binding on KMP seeking approval, whether on behalf of the KMP or an Associated Party; and
- d) if clearance to deal is refused, the KMP seeking the clearance must keep that information confidential and not disclose it to anyone (other than the Associated Party where relevant, and the KMP must ensure that the Associated Party keeps such information confidential).

Even if approval has been obtained under section 3.2.3 above, any KMP who subsequently comes into possession of inside information prior to dealing must not deal in the Company's securities and must take all reasonable steps to ensure that their Associated Parties do not deal in the Company's securities. Clearance to deal under this policy is not an endorsement of the proposed trade and any KMP or Associated Party dealing in securities is individually responsible for their investment decisions and their compliance with insider trading laws.

### **3.2.5 Company Secretary approval process**

Before advising the KMP that there is no known reason to preclude trading in the Company's securities under section 3.2.3 above, the Company Secretary must confirm that statement with the Chairman and/or Managing Director, where the dealing involves a KMP or their Associated Parties other than the Chairman or Managing Director. Where the dealing involves the Chairman or Managing Director or their Associated Parties, then the Company Secretary will confirm the statement with the Chair of the Audit and Risk Committee.

### **3.2.6 Additional obligations on directors and ASX disclosures**

Directors must also comply with:

- a) all requirements in the Corporations Act and the ASX Listing Rules in relation to notification of trading in the Company's securities;
- b) all requirements in the Company's Board Charter in relation to holding a minimum number of the Company's securities; and
- c) the letter agreement entered into between each director and the Company relating to notification of trading in the Company securities.

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.

### 3.3 Blackout Periods

Subject to the below, given the heightened risk of actual or perceived insider trading KMP and their Associated Parties (and any other persons nominated by the Board from time to time) must not deal in the Company's securities during the following periods (together **Blackout Periods**):

- a) from 1 January each year to the opening of market the business day following the release of the Company's half yearly accounts to the ASX;
- b) From the 1 July each year to the opening of Market the business day following the release of the Company's preliminary annual accounts to the ASX; and
- c) Any other period determined by the Board from time to time to be a black out period.

The Company Secretary will notify all KMP (as defined in this Policy) of the opening and closing date of all **Blackout Periods**.

The above restrictions on KMP and their Associated Parties dealing in the Company's securities during any Blackout Periods are in addition to any Project Restrictions on dealing in the Company's securities that may be imposed by the Board from time to time under this Policy.

### 3.4 Exceptions to Blackout Periods in exceptional circumstances

The only exception to the prohibition on dealing during Blackout Periods is a sale of the Company's securities, which will be permitted only if the processes outlined in section 3.2.3 and 3.2.5 above have been completed, and the Company Secretary has confirmed in writing that there is no known reason to preclude dealing, and one of the following apply:

- i) prior written approval to deal has been given in writing by the Chairman (or, in the case of the Chairman or an Associated Party of the Chairman, with the prior written approval of the Chair of the Audit and Risk Committee) to the Company Secretary where the Chairman (or the Chair of the Audit and Risk Committee where applicable) is satisfied that:
  - the KMP or an Associated Party is facing severe financial hardship, such that a sale of their securities is the only reasonable option available to resolving the hardship;
  - the KMP or an Associated Party is required by a final court order or enforceable court undertaking to sell or otherwise transfer the Company's securities to a third party; or
  - the KMP has identified another exceptional circumstance where the dealing by an KMP or their Associated Parties of their securities is the only reasonable option available to resolve the circumstance; or
- ii) if the dealing does not involve a change in beneficial ownership, and does not require disclosure to the ASX.

Where consent to deal is requested under section 3.4(i) above, the KMP must provide documentary evidence to the Company Secretary, who will consult with the Chairman (or in the case of the Chairman or an Associated Party of the Chairman, with the Chair of the Audit and Risk Committee).

Where approval is obtained under this section 3.4, an order for the dealing must be lodged or otherwise authorised by the KMP or their Associated Party(ies) or, in the case of an off-market transaction, settled, within two clear trading days and the dealing must otherwise comply with the terms of this policy and applicable insider trading laws.

For the purpose of this section 3.4, if the approval is given during or after trading on one day, the order for the dealing must be lodged or otherwise authorised by the KMP or their Associated Party(ies) or, in the case of an off-market transaction, settled, before the close of trading on the second trading day after the approval is given. If the approval is given prior to the commencement of trading on a particular day, the order for the dealing must be lodged or otherwise authorised by the KMP or their Associated Party(ies) or, in the case of an off-market transaction, settled, before the close of trading on the following trading day.

Any KMP who is in possession of inside information must not deal in the Company's securities and must take all reasonable steps to ensure that their Associated Parties do not deal in the Company's securities, even if an exception to the Blackout Period applies and approval has been obtained under this section 3.4.

### **3.5 Trading not subject to this policy**

Subject to the insider trading prohibitions outlined above, the following is excluded from the operation of sections 3.2, 3.3 and 3.4 of this Policy:

- transfers of securities of the Company already held into a superannuation fund or other saving scheme in which the KMP or Associated Parties is a beneficiary;
- an investment in, or trading in units of, a fund or other scheme (other than a scheme investing only in the securities of the Company) where the assets of the fund or other scheme are invested at the discretion of a third party;
- a disposal of Company securities arising from the acceptance of a takeover offer, scheme of arrangement or equal access buy-back;
- trading under an offer or invitation made to all or most of the security holders, such as a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy back, where the plan that determines the timing and structure of the offer have 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;
- the application for, and acquisition of, the Company's securities under a Company employee incentive scheme or 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 Closed Period.

Any dealings by KMP and their Associated Parties remain subject to insider trading laws, regardless of any exemption outlined above.

### **3.6 Short Term Trading**

Notwithstanding the following, KMP and their Associated Parties 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.

### **3.7 No Hedging (also applicable to Designated Officers)**

KMP and their Associated Parties 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, KMP may not enter into such an arrangement without the prior consent of the Chairman of the Board, before commencing the transaction. KMP 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 KMP 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 SHARE PLANS**

All KMP and employees are prohibited from applying to participate in a Cash Converters share plan (whether by completing an election or application form, or not opting out, as applicable), while in possession of inside information. KMP and employees who acquire the Company's securities under a Cash Converters share plan must also comply with the rules of that plan when dealing in those securities.

## **5 BREACHES**

Strict compliance with this policy and the insider trading laws is a requirement under each employment contract within the Company and the terms of appointment of each director. Breach of the insider trading laws can result in serious consequences, including exposing the Company and individuals to penalties and third party claims. Individuals may also be subject to significant fines and imprisonment. Breaches of this policy or the insider trading laws will result in disciplinary action, which may include termination of employment.

## **6 GENERAL**

The requirements of this policy are separate from, and in addition to, the legal prohibitions in the Corporations Act on insider trading.

## **7 QUERIES**

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

## **8 REVIEW OF POLICY**

This Policy will be periodically reviewed, revised and re-published where necessary, and at least annually, to ensure it remains relevant and appropriate to the Company's activities.

## ANNEXURE A – Background to Insider Trading Laws and Policy Exemptions

### 1. Definitions

For the purpose of this policy:

- a) **dealing** includes:
- i) buying or otherwise applying for securities (including applying to participate in the Company's share plan), whether on-market or off-market;
  - ii) selling or otherwise disposing of securities, whether on-market or off-market;
  - iii) exercising options over securities;
  - iv) creating a hedge, security interest, margin loan or other financial interest over or in relation to securities;
  - v) transferring legal ownership of securities, even where beneficial ownership does not change;
  - vi) any other transfer or creation of an interest in securities, whether directly, or by arranging for someone else to undertake the dealing on your behalf; and
  - vii) agreeing or applying to do any of the above.

In the case of an on-market trade, the dealing occurs at execution (but not settlement) of the trade. In the case of an off-market trade, the dealing occurs at settlement of the trade.

- b) **inside information** means information that:
- i) is not generally available; and
  - ii) if it were generally available, a reasonable person would expect it to have a material effect on the price or value of securities. This is satisfied where the information would, or would be likely to, influence investors in deciding whether to buy or sell securities.
- c) **securities** includes shares, options, notes, bonds and other debentures, interests in managed investment schemes, trusts and other financial products, and any derivatives of those securities, including equity swaps, contracts for difference, futures, hedges and exchange-traded or over-the-counter options, whether settled by cash or otherwise. Portfolio products that are not specific to the Company, such as an index or broad based superannuation fund, are not "securities" for the purpose of this policy.

### 2. Insider trading laws

- a) If a person has inside information in relation to the Company's securities or other securities which is not publicly known, it is a criminal offence to:
- i) deal in those securities;
  - ii) advise or procure another person to deal in those securities; or
  - iii) pass on inside information to someone else where the person who has the inside information knows, or should reasonably have known, that the person receiving the information would use that information to deal in, or procure someone else to deal in, those securities.



- b) Liability for breach of the insider trading laws can include:
- i) significant fines and/or imprisonment;
  - ii) civil liability, which may include being sued by another party or the Company, for any loss suffered as a result of illegal dealing in securities; and
  - iii) reputational damage, which may occur even where an insider trading breach is not proven.

The Australian Securities and Investment Commission (**ASIC**) monitors trading activity, including around the time of Australian Securities Exchange (**ASX**) announcements and significant share price movements.

- c) The following factors should be considered to assist in determining whether information might be inside information, and whether passing on information may be a breach of the insider trading laws:
- i) It does not matter how a person comes to know the inside information, including whether it was obtained in the course of carrying out their responsibilities at work, or in passing in the corridor, or in a lift or at a dinner party.
  - ii) The financial impact of the information may be important in determining if it is market sensitive, but strategic and other matters may also be important in determining whether information might influence investors to buy or sell those securities, and accordingly, might influence whether the information is inside information.
  - iii) Information is inside information if it would, or would be likely to, influence investors in deciding whether to buy or sell securities, and can include information which is of an uncertain nature, rumours, matters of supposition, matters relating to the intentions of a person (including the Company) and information which is insufficiently definite to warrant disclosure to the public.
  - iv) The restriction on passing on information means that inside information must not be passed on to colleagues, family, friends, contractors or others where that person might deal in those securities.
  - v) The laws on insider trading can apply to dealings by entities and people associated with you (even if they are not employed by the Company), such as:
    - a company, trust or a managed superannuation fund that you control; and
    - a spouse, partner or dependent child.

Someone who is in possession of inside information may become subject to an insider trading investigation if an associate deals in securities to which the inside information relates.

### **3. Examples of inside information**

The following list is illustrative only and is not exhaustive. Inside information could include:

- a) possible acquisition or sale of any assets or business by the Company;
- b) the financial performance of the Company against its budget or forecasts;
- c) senior management or board changes;
- d) a proposed dividend;
- e) a possible change in the Company's capital structure; or
- f) a possible claim against the Company or other unexpected liability.

#### 4. The “front page” test

It is important that public confidence in the Company is maintained. It would be damaging to the Company’s reputation if the market or the general public perceived that directors or employees might be taking advantage of their position in the Group to make financial gains by dealing in securities based on inside information.

As a guiding principle, KMP or employee considering dealing in securities should ask themselves: *If the market was aware of all the current circumstances, could the proposed dealing be perceived by the market as taking advantage of my position in an inappropriate way? How would it look if the transaction were reported on the front page of the newspaper? (the “front page” test).*

If any employee is unsure, they should consult the Company Secretary.

Where any approval under this Policy is required for a dealing, approval will not be granted where the dealing would not satisfy the “front page” test.

#### 5. Exceptions to the policy

- a) Subject to compliance with the applicable insider trading laws at all times and any Project Restrictions that may apply to particular directors or employees from time to time, the requirements of the policy do not restrict:
  - i) dealings under an offer or invitation made to all or most shareholders or class of shareholders, for example a disposal of the Company’s securities arising from the acceptance of an equal access buy-back or an acquisition of the Company’s securities under a pro rata issue;
  - ii) a disposal in relation to the acceptance of a takeover offer;
  - iii) the acquisition of the Company’s securities under a Cash Converters share plan, or dividend investment plan, provided that:
    - the director or employee was not in possession of inside information relating to the Company’s securities and otherwise complied with the policy when applying to participate in a Cash Converters share plan or dividend investment plan, as applicable, (whether by completing an election or application form, or not opting out, as applicable); and
    - the director or employee otherwise complies with the provisions of the plan.
- b) Where an employee is subject to Project Restrictions, the Chief Financial Officer may approve an issue of securities to the employee under an employee share plan (rather than acquisition of the securities on-market). Any such issue of securities to an employee will not constitute a breach of this policy.
- c) For the avoidance of doubt:
  - i) the obligation on each director to notify the Company Secretary of trading in the Company’s securities under the letter agreement between the Company and the director continues to apply, notwithstanding this section 5(c) of Annexure A; and
  - ii) the restrictions and approvals referred to in the policy do not apply to dealings that are exempt under this section 5(c) of Annexure A.