	Corporate Governance Policies	
	Principle:	3.2
	Title:	3.2.1 Insider Trading in the Company's Securities Policy
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INTRODUCTION

This policy has been developed to help you understand insider trading and your obligations under Australian law.

It applies to all directors and employees of Aveo Healthcare and of any of its subsidiaries.

During your career with Aveo Healthcare you may become aware of information that could have an impact on the price of shares and other financial products in the market. This information could be 'inside information'.

This information is usually confidential and subject to your duties of confidence to Aveo Healthcare and to customers. The insider trading rules in the *Corporations Act* also affect how you can use this information.

As well as potentially serious civil and criminal liability arising from breaches of insider trading laws, insider trading is also a serious breach of your conditions of employment at Aveo Healthcare and may lead to disciplinary action up to and including dismissal. Penalties for insider trading include fines of up to \$22,000 for individuals and \$110,000 for companies or imprisonment for up to 5 years, as well as potential civil liability for losses caused to other investors.

The policy is not intended to be a substitute for you obtaining your own legal advice. If you have any particular concerns on insider trading you should speak with the Group Company Secretary.

GENERAL POLICY


If you have price sensitive information about any company's financial products which is not generally available to others, under the *Corporations Act* you cannot:

- apply for, acquire or dispose of those financial products, or enter into an agreement to do any of those things, or
- procure that another person does any of those things in relation to those financial products.

If you have price sensitive information about a company's financial products that are listed on a financial market (such as the Australian Stock Exchange or the Sydney Futures Exchange), then you must not, directly or indirectly, communicate that information to a person if you know, or you ought reasonably to know, that the person is likely to deal or trade in those financial products.

These rules not only prevent you from trading, but also prevent you from encouraging other people to trade or giving that information to someone else who is likely to trade or encourage others to trade.

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This policy applies equally to financial products issued or made available by Aveo Healthcare or its subsidiaries and to financial products issued or made available by customers or other corporate entities with which you may deal in the course of your duties (e.g. suppliers, sub-contractors or entities in which Aveo Healthcare has an interest).

WHO IS AN INSIDER?

You are an insider:

- if you have **information** that is not **generally available** but if it were, a reasonable person would expect it to have a **material effect** on the price or value of **financial products** ('**inside information**'), and
- you know, or ought reasonably to know, that the information is inside information.


WHAT IS A FINANCIAL PRODUCT?

Financial product has a very wide meaning in the *Corporations Act*. Not all financial products are subject to the insider trading rules. For the purpose of this policy, a reference to a financial product is only to those products which are subject to the insider trading rules.

The insider trading rules apply to the following financial products:

- securities - including a company's shares, debentures (including convertible notes), managed investment interests made available by it, units of shares or of managed investment interests and exchange traded and over the counter put and call options over any of those securities,
- derivatives - including exchange traded options, equity swaps, futures or options, equity futures or other futures which relate to any financial products of a company,
- managed investment products,
- superannuation products, and
- any other financial product that can be traded on a financial market (that is, tradeable on a stock exchange or futures exchange or other type of licensed financial market).

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WHAT CONSTITUTES INFORMATION?

Information means any fact, matter or circumstance and includes:

- matters of supposition (eg, rumours or innuendo) or which are otherwise insufficiently definite to warrant being made known to the public, and
- matters relating to the intentions, or likely intentions, of a person.

The information can be in any form (eg, written or verbal).

Information is **generally available** if:


- it consists of readily observable matter, or
- it has been made known to people who commonly invest in the type of financial product involved and a reasonable period has elapsed for it to be disseminated to those people, or
- it consists of deductions, conclusions or inferences made or drawn from readily observable matter or information that has been disseminated.

Information has a **material effect** on the price or value of financial products if the information would, or would be likely to, influence people who commonly acquire financial products in deciding whether or not to acquire or dispose of the particular financial products.

You may come into possession of inside information if you become aware of any of the following when it is not generally available:

- actual profit results,
- internal forecasts of profit results,
- changes of strategic direction of the business,
- details of a new discovery, new product or substantial new business contract,
- the appointment or resignation of a chief executive officer, executive director or chairman,
- an actual or proposed major acquisition or disposal of assets,
- a float or other share issue, capital raising, takeover, merger, purchase, sale or partial sale of business,

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- actual or proposed major litigation,
- any plans involving securities or securities futures or other financial products.

For example:

- i.) in the course of your duties you may come into possession of inside information in relation to Aveo Healthcare, its customers or others if you are involved in relationship management with a customer, management of a project or advising a corporate customer or a corporate customer of one of Aveo Healthcare's subsidiaries.


The information may relate to Aveo Healthcare, one of its subsidiaries, a corporate customer or any other company.

SPECIFIC INSIDER TRADING RULES

You must follow the rules below if you are an insider:

- you must not apply for, acquire, or dispose of, financial products of Aveo Healthcare to which the inside information relates, either for yourself or for another person,
- you must not get another person (whether a family member, friend, associate, colleague or your private company or trust) to apply for, acquire or dispose of, the financial products for you or for another person or for themselves,
- if the financial products are also listed on a financial market (such as the Australian Stock Exchange) you must not, either directly or indirectly, give the inside information, or allow it to be given, to another person who you know, or should know, would be likely to do any of the prohibited things described above,
- with regard to financial products of a company which is a customer or another person with whom you do business, you must not apply for, acquire or dispose of or offer or agree to acquire or dispose of those financial products or attempt to influence others (including family, associates, colleagues, private company or trustee) to do so,
- you must not give any inside information to any person who is an employee or contractor of Aveo Healthcare and/or its subsidiaries who is a trader in, or distributor of, financial products or get them to buy or sell for you or another person while you remain an insider,
- if you liaise with industry analysts or business journalists working on the business activities of Aveo Healthcare, you must not give them any inside information about Aveo Healthcare, or confirm with them any suspicions or

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hunches which they may have, even if these hunches are based on their own research and analysis.

WHEN DO YOU STOP BEING AN INSIDER?

You will no longer be an insider once the inside information becomes generally available (as described on page 2 - see **What Constitutes Information?**).

TRADING IN AVEO HEALTHCARE SHARES

The above general policy applies to all financial products to which the insider trading rules in the *Corporations Act* apply.

This part of the policy applies to you in respect of your dealings with Aveo Healthcare shares or any other securities or financial products which may be issued by Aveo Healthcare or its subsidiaries.


Employees of Aveo Healthcare will have different access to price sensitive information depending on their position. This Policy applies to all directors and to all executives and employees nominated by the Board. Persons nominated will be listed in a schedule and will include the following:

- members of the Executive Committee
- directors, company secretaries and senior executives of principal subsidiaries
- corporate and divisional accounting officers reporting directly to any of the above executives
- confidential secretaries and assistants reporting to any of the above positions
- members of corporate staff who have access to the company's results

The following policy applies to all employees (including directors and executive management employees):

- no director or employee can trade in or get someone else to trade in financial products of Aveo Healthcare in breach of insider trading rules,
- at no time can directors or employees engage in short term speculative trading in Aveo Healthcare financial products. For the avoidance of doubt, the purchase and subsequent sale of Aveo Healthcare financial products by directors or employees within a six month period will, in the absence of compelling evidence to the contrary, be deemed to be short term speculative trading. This rule is designed to encourage support for Aveo Healthcare long term objectives and discourage short term actions which could affect the share price or lead to market speculation. This rules does not prevent a

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director or employee disposing of shares issued on the exercise of employee options (subject to the other terms of this policy), and

- any director or employee who trades in financial products of Aveo Healthcare on a financial market should use only one or two brokers, and preferably only one.

PERMITTED TRADING


The following additional rules apply to directors, executives and nominated employees as described above:

- trading in Aveo Healthcare financial products on a financial market is restricted to a 30 day period immediately following two days after:
 - the release of Aveo Healthcare half year results,
 - the release of Aveo Healthcare yearly results,
 - the issue of a prospectus offering securities in Aveo Healthcare, or
 - the annual general meeting,
- in the case of employees, to trade in these windows, approval must be obtained from the Managing Director or his delegate before trading in Aveo Healthcare financial products,
- in the case of directors, to trade in these windows, approval must be obtained from the Chairman before trading in Aveo Healthcare financial products. The Chairman must obtain approval from another independent non-executive director.

Trading may be permitted outside these windows if special circumstances exist. Approval must be obtained from the Managing Director in the case of employees, from an independent non-executive director in the case of the Chairman or from the Chairman in the case of directors. Whether special circumstances exist will be a matter for the relevant person to decide, but will generally only apply in limited circumstances such as:

- cases of financial or personal hardship or necessity,
- legal duties and obligations (eg, the administration of a deceased estate or transfers under Family Court orders),
- transfers to related entities (eg, to a personal superannuation fund or a family trust).

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Those people affected by the additional rules must be aware that they are still subject to the general rule that they must not trade in those financial products whilst in possession of inside information.

While it is not compulsory, Aveo Healthcare believes it would be prudent for all directors and employees affected by the additional rules to maintain a record or register of personal trading in Aveo Healthcare's financial products.

If you require any further information or assistance please contact the Group Company Secretary.

Being aware of and adhering to this policy protects you, Aveo Healthcare and all of Aveo Healthcare shareholders.

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