

Policy owner	Board of Directors, Delegat Group Limited
Date of publication	July 2018
Applicability	Delegat Group and its subsidiaries

1. Introduction and Purpose

The Financial Markets Conduct Act 2013 (Act) prohibits trading by any person in quoted financial products of a listed issuer with information which is not generally available to the market and which is price sensitive information. “Insider Trading” is the description given to this trading activity. The purpose of the Act in this respect is to promote fair, orderly and transparent financial products markets.

This policy is designed to ensure compliance with the Act and consistency with its purpose. This reduces the likelihood of the exposure of Delegat Group Limited (Delegat) and related parties to allegations of trading in breach of the Act’s prohibitions.

The policy applies to:

- Directors, officers and employees of Delegat and its subsidiaries;
- their related parties and associates;
- families, trusts and companies controlled by the persons above;
- anyone else notified by the Chief Financial Officer from time to time.

In this policy ‘**trade**’ includes buying or selling quoted financial products, or agreeing to do so, whether as principal or agent, but it does not include subscription for, or the issue of, new financial products.

Monitoring of Policy

The Company will monitor the financial products trading of directors, employees and related parties as part of the administration of the policy. Strict compliance with this policy is a condition of employment/appointment. Strict compliance with this policy is also a condition of employment, and engagement of advisers and contractors.

Breaches by Employees

Any breaches of the policy by employees of Delegat and any of its subsidiaries may constitute serious misconduct and may be subject to disciplinary action, including dismissal. Breaches will be noted by the Chief Financial Officer and reported to the Managing Director, who will in turn refer the matter to the Chairman of the Audit and Risk Committee.

2. Application

This document details Delegat's policy on, and rules for dealing in the following financial products (**Restricted Financial Products**):

- Delegat ordinary shares;
- any other quoted financial products of Delegat or its subsidiaries from time to time; and
- any quoted or unquoted derivatives (including futures contracts quoted on an authorised futures exchange) in respect of Delegat Restricted Financial Products from time to time.

The requirements imposed by the policy are separate from, and in addition to, the legal prohibitions on insider trading in New Zealand and any other country where those financial products may be listed.

If you do not understand any part of this policy, or how it applies to you, you should raise the matter with Delegat's Chief Financial Officer before dealing with any financial products covered by this policy.

3. Fundamental Rule – Insider trading is prohibited at all times

If you possess "material information" (refer to definition below), then you must not:

- trade Restricted Financial Products;
- advise or encourage others to trade, or hold any Restricted Financial Products; or
- pass on the material information to others.

The prohibitions apply regardless of how you learn of the information, and regardless of why you are trading.

The prohibition on insider trading applies not only to information concerning Delegat's financial products. If a person has material information in relation to quoted financial products of another issuer (including derivatives in respect of such quoted financial products), that person must not trade in those financial products.

4. Insider trading laws

If you have any **material information**, it is illegal for you to:

- trade Delegat's restricted Financial Products;
- advise or encourage another person to trade or hold Delegat's Restricted Financial Products;
- advise or encourage a person to advise or encourage another person to trade or hold Delegat's Restricted Financial Products; or
- pass on the **material information** to anyone else – including colleagues, family or friends – knowing (or where you ought to have known) that the person will use that information to trade, continue to hold, or advise or encourage someone else to trade, or hold, Delegat's Restricted Financial Products.

This offence, called "insider trading", can subject to you criminal liability including large fines and/or imprisonment, and civil liability, which may include being sued by another party or Delegat, for any loss suffered as a result of illegal trading.

5. Confidential information

In addition to the above, you also have a duty of confidentiality to Delegat. You must not reveal any confidential information concerning Delegat to a third party (unless that third party has signed a confidentiality agreement with Delegat and you have been authorised to disclose the confidential information), or to use confidential information in any way which may injure or cause loss to Delegat, or use confidential information to gain an advantage for yourself. You should ensure that external advisers keep Delegat information confidential.

6. What is “material information”?

“Material information” is information that:

- is not generally available to the market; and
- if it were generally available to the market, would have a material effect on the price of Delegat’s quoted financial products.

Information is generally available to the market if it has been released as an NZX announcement, or investors that commonly invest in Delegat’s quoted financial products can readily obtain the information (whether by observation, use of expertise, purchase or other means).

It does not matter how you come to know the material information (including whether you learn it in the course of carrying out your responsibilities, or in passing in the corridor, or in a lift, or at a social function).

Information includes rumours, matters of supposition, intentions of a person (including Delegat), and information, which is insufficiently definite to warrant disclosure to the public.

7. What are some examples of material information?

The following list is illustrative only. Material information could include information which has not been released to the market concerning:

- the financial performance of Delegat;
- a possible change in the strategic direction of Delegat;
- the introduction of an important new product or service;
- a possible acquisition or sale of any assets or company by Delegat;
- entry into or the likely entry into or termination or likely termination of material contracts or other business arrangements which are not publicly known;
- a possible change in Delegat’s capital structure;
- a change in the historical pattern of dividends;
- senior management changes;
- a material legal claim by or against Delegat; or
- any other unexpected liability.

8. Exceptions

This policy does not apply to:

- acquisitions and disposals by gift or inheritance;
- acquisitions through an issue of new quoted financial products, such as an issue of new shares on the exercise of options, under a rights issue, or a dividend reinvestment plan;

- acquisitions and disposals permitted by statute as an exception to the prohibitions on trading.

9. Trading Policy

Further to the above, any person to whom this policy applies, wishing to:-

- (a) trade in the Company's Restricted Financial Products; or
- (b) procure on behalf of that person, or another person to trade in Delegat's Restricted Financial Products, may do so at any time, with the exception of the following periods ("**Black-Out Periods**"):-
 - from Delegat's half-year balance date, until the first trading day after the half-year financial results are released to the NZX;
 - from Delegat's year-end balance date, until the first trading day after the full-year financial results are released to the NZX;
 - during any other period determined and communicated by the Board, Managing Director or Chief Financial Officer as a **Black-Out Period**.

While **Black-Out Periods** can be applied to manage risk, they cannot operate as the only defence to the legal prohibitions detailed above. If you hold material information you must not trade Restricted Financial Products at any time – regardless of these periods.

Any person, to whom this policy applies, is discouraged from short term and speculative trading. Short term trading can be a key indicator of insider trading, particularly if undertaken on a regular basis or in large amounts. Therefore, to reduce the risk of an allegation of insider trading, do not trade Restricted Financial Products on a short term basis.

10. Trading Procedure

In order to ensure compliance with this policy, any person wishing to trade in the Company's Restricted Financial Products **MUST** first notify the Chief Financial Officer of their intention to trade by seeking consent on the attached form – "Request for Consent to Trade in Restricted Financial Products" (see Appendix A).

If in doubt, don't

The rules contained in this policy do not replace your legal obligations. The boundary between what is (and is not) in breach of the law is not always clear. Sometimes behaviour that you consider to be ethical may actually be insider trading. If in doubt, don't!

Applications of policy

The Board of Delegat has approved this policy. The Board may approve updates, amendments to and exemptions to this policy from time to time, which may be implemented by written notice to you which may be given by electronic communication such as email. To the extent of any inconsistency with any previous policy or rules relating to this subject matter, this policy prevails over them.

6. Trading In Other Financial Products

The Insider Trading provisions are not limited to inside information about the Company. Inside information about other companies or entities may also be obtained during the performance of duties at the Company.

Accordingly, where a person to whom this policy applies has inside information about other financial products, whether Company related or not, must ensure they comply with the Insider Trading law at all times.

7. Directors and Senior Managers Interests

Directors and senior management are required to disclose their holding of Restricted Financial Products in the Company to the Board. Such disclosure must take place within 5 trading days after the person's initial appointment as a director or senior manager, or in the case of subsequent trading by that person, within 5 trading days of the acquisition or disposal of interests. Directors and senior management are required to enter any Restricted Financial Products in which they have an interest, together with the nature of that interest in an interests register maintained by the Chief Financial Officer.

The requirements above apply to a director or senior manager for 6 months after that person ceases to be a director or senior manager.

Appendix A
DELEGAT GROUP LIMITED (AND SUBSIDIARY COMPANIES)
REQUEST FOR CONSENT TO TRADE IN RESTRICTED FINANCIAL PRODUCTS

To: **Chief Financial Officer / Chairman of Audit and Risk Committee**

In accordance with the Company's Financial Products Trading Policy and Guidelines, I request the Company's consent be given to the following proposed transaction to be undertaken either by me or persons associated with me, within 15 trading days of approval being given. I acknowledge the Company is not advising or encouraging me to trade or hold financial products and does not provide any financial products recommendation.

Name:

Name of Registered Holder transacting (if different):

Address:

Position:

Description and Number of Financial Products:

Likely date of transaction

Type of proposed transaction

BUY / SELL / OTHER (specify)

NZX / OFF-MARKET TRADE / OTHER
(specify)

I declare that I do not hold information which:

- is not generally available to the market; and
- would have a material effect on the price of Delegat's restricted financial products if it were generally available to the market.

I know of no reason to prohibit me from trading in Delegat's Restricted Financial Products detailed above and certify that the details given above are complete, true and correct.

Signature

Date

The Company hereby **consents / does not consent** to the proposed transaction described above. Any consent is conditional on the proposed transaction being completed within 15 trading days of the date of this consent and in compliance with Delegat Group Limited's Financial Products Trading Policy.

Name:

Signature

Date

On behalf of Delegat Group Limited