

POLICY FOR DEALING IN SECURITIES

1. Introduction

Insider trading occurs when person, in possession of information about a Company that is both price-sensitive (as defined in section 1042D of the Corporations Act) and not generally available (as defined in section 1042C of the Corporations Act), engages in any of the following activities:

- Dealing in the Company's securities
- Communicating the price-sensitive information to others who might deal in the securities; or
- Procuring another person to trade in the Company's securities.

Insider trading is a criminal offence. It is punishable by substantial fines or imprisonment or both. Insider trading may also attract civil penalties. A court may impose substantial pecuniary penalties on persons who engage in Insider Trading and order payment of compensation to shareholders who suffer loss or damage as a result.

The purpose of this Policy is to:

- explain the types of conduct in dealing in securities that are prohibited under the *Corporations Act 2001* (Cth) (**Corporations Act**). Such prohibitions apply to all Directors, Contractors and Employees of the Company and the Group; and
- establish a best practice procedure for the buying and selling of securities that protects the Company and Directors, Contractors and Employees against the misuse of unpublished information which could materially affect the value of securities.

This Policy applies to:

- all directors and officers of the Group;
- all members of senior management, contractors and employees with access to price-sensitive information (including all key management personnel) (**Designated Officers**);
- all employees of the Group (collectively, **Employees**); and
- Connected Persons of Employees.

In this Policy, the persons listed above will be collectively referred to as **Relevant Persons**. Connected Person means, in relation to an Employee:

- a family member of an Employee who may be expected to influence, or be influenced by, that Employee in his or her dealings with Securities (this may include that Employee's partner, parents, siblings and children, the parents, siblings or children of that Employee's partner, or dependents of that Employee or that Employee's partner);

- a company or other entity of which an Employee is a director or chief executive; and
- any other entity in respect of which an Employee has an ability to control

Any non-compliance with this Policy will be regarded as serious misconduct which may entitle the Company to take corrective disciplinary action.

2. Restrictions on dealing in securities

No trading where in possession of inside information

A Relevant Person must not deal in the Company's securities where:

- they are in possession of price sensitive or 'inside' information; or
- the Company is in possession of price sensitive or 'inside' information and has notified Relevant Persons that they must not deal in securities (either for a specified period, or until the Company gives further notice).

The central test of what constitutes price sensitive information is found in section 1042A. It provides that the insider trading and continuous disclosure rules apply to information concerning a company that a reasonable person would expect to have a material effect on the price of securities in the company (**Price Sensitive Information**).

Information is regarded as being likely to have a material effect if it would, or would be likely to, influence persons who commonly invest in securities or other traded financial products in deciding whether or not to deal in RCG Securities.

Generally Available

Information is generally available if:

- (a) It consists of readily observable matter or deductions;
- (b) It has been brought to the attention of investors through an announcement to ASX Limited (**ASX**) or otherwise similarly brought to the attention of investors who commonly invest in securities, and a reasonable period has elapsed since it was announced or brought to investors' attention; or
- (c) It consists of deductions, conclusions or inferences made or drawn from information referred to in paragraphs (a) or (b) above.

Other prohibited dealings

Blackout periods

Directors, officers and Designated Officers must not deal in the Company's securities during any of the following blackout periods:

- the period from the close of trading on the last day of each financial year until the second trading day following the announcement to ASX of the preliminary final

statement or full year results;

- the period from the close of trading on the last day of the first half of each financial year until the second trading day following the announcement of half-yearly results; and
- any other period that the Company specifies from time to time.

Exceptional circumstances

If a director, officer or Designated Officer needs to deal in securities due to exceptional circumstances but such dealing would breach this Policy, the director, officer or Designated Officer may apply to the Chair of the Board (in the case of directors other than the Chair, officers and Designated Officers, and their Connected Persons) or the Board or most senior director (for the Chair) (the approver) for a waiver from compliance with the provisions of paragraph 2.

Exceptional circumstances for these purposes include severe financial hardship, compulsion by court order or any other circumstance that is deemed exceptional by the approver.

Directors, officers and Designated Officers seeking a waiver under this clause must apply in writing to the approver setting out the circumstances of the proposed dealing (including an explanation as to the severe financial hardship or circumstances that are otherwise exceptional) and the reason the waiver is requested. A waiver will only be granted if the director, officer or Designated Officer's application is accompanied by sufficient evidence (in the opinion of the approver) that the dealing of the relevant securities is the only reasonable course of action available in the circumstances.

If a waiver is granted, the director, officer or Designated Officer will be notified in writing (which may include notification via email) and in each circumstance the duration of the waiver to deal in securities will be 10 business days.

Unless otherwise specified in the notice, any dealing permitted under this paragraph must comply with the other sections of this Policy (to the extent applicable).

No short-term dealing – buying and selling within 3 month period

Relevant Persons must not deal in the Company's securities on a short-term trading basis. Short-term trading includes buying and selling securities within a 3 month period, and entering into other short-term dealings (for example, forward contracts).

Trading outside blackout periods

The restriction in paragraph 2 applies to all dealings in the Company's securities despite any approval given to a Relevant Person under this policy, and the Relevant Person is responsible for ensuring that the dealing does not breach this restriction.

Where paragraph 2 does not apply, Relevant Persons may deal in the Company's securities subject to the notification and approval requirements set out below.

Directors, officers and Designated Officers

During any period outside the blackout periods described in paragraph 2 directors, officers and Designated Officers must receive prior approval for any proposed dealing in the Company's securities as follows:

- By completing a **Personal Trading Approval Form (Schedule A)** of their intention to trade in the Company's securities; and
- Obtaining written approval to trade as follows:
 - the Chair of the Board must inform and obtain written approval from the Board or the most senior director before undertaking a transaction;
 - directors and officers of the Company (including the CEO) must inform and receive written approval from the Chair of the Board before undertaking a transaction; and
 - Designated Officers must inform and receive written approval from the Company Secretary before undertaking a transaction

Upon receipt of approval, a director, officer or Designated Officer must undertake the proposed dealing within 10 business days. If the dealing is not undertaken within this time, the approval will no longer have effect and new approval will be required before the proposed dealing may be undertaken.

Upon receipt of approval, a director, officer or Designated Officer may undertake the proposed dealing. Where the Relevant Person is a director, he or she must confirm any such dealings with the Company Secretary immediately upon dealing.

Relevant Persons (other than directors, officers and Designated Officers)

Where paragraph 2 does not apply, Relevant Persons other than a director, officer or Designated Officer may deal in the Company's securities.

Hedging of company securities

Hedging includes entering into transactions in financial products that operate to limit the economic risk associated with holding Company securities.

Hedging of Company securities by a Relevant Person is subject to the following overriding prohibitions:

- the hedge transaction must not be entered into, renewed, altered or closed out when the Relevant Person is in possession of inside information;
- Company securities must never be hedged prior to the vesting of those Company securities; and
- Company securities must never be hedged while they are subject to a holding lock or restriction on dealing under the terms of an employee share plan operated by the

Company.

Relevant Persons are permitted to hedge Company securities on the following conditions:

- the hedge transaction is treated as a dealing in Company securities for the purposes of this policy, and the relevant notifications are made on this basis; and
- the relevant requirements under paragraph 2 of this Policy have been satisfied.

Where a Relevant Person enters into a hedging arrangement in respect of Company securities, the Company may, where appropriate, disclose the fact and nature of the hedge (eg in its annual report or to ASX).

Exclusions

Paragraph 2 of this Policy does not apply to the following categories of passive trades:

- acquisition of Company securities through a dividend reinvestment plan;
- acquisition of Company securities through a share purchase plan available to all retail shareholders;
- acquisition of Company securities through a rights issues;
- the disposal of Company securities through the acceptance of a takeover offer or under a scheme of arrangement;
- acquisition of Company securities through participation in an employee share plan or employee option plan operated by the Company (eg applying for an allocation of securities under an employee share offer, or exercising options issued under an employee incentive scheme). However, where securities cease to be held under the terms of that plan, any dealing in these securities must only occur in accordance with this policy; and
- dealings that do not result in a change to the beneficial interest in the securities;

3. Securities in other companies

Whilst in general employees are free to deal in securities in other listed companies, the prohibited conduct under the Corporations Act includes dealings not only in the Company's securities but also in those of other listed companies with which the Company may be dealing (including the Group's customers, contractors or business partners) where an employee possesses 'inside information' in relation to that other company.

If a Relevant Person is aware of information that is not generally available but which, if it were generally available, a reasonable person would expect to have a material effect on the price or value of a security, the Relevant Person should not deal in the securities of the companies that it affects.

Relevant Persons may come into possession of 'inside information' where they are directly

involved in client relationship management or negotiating contracts. For example, where the Relevant Person is aware that the Group is about to sign a major agreement with another company, the Relevant Person should not buy securities in either the Company or the other company.

4. Policy Awareness

To ensure all Relevant Persons are aware of the Company's Dealing in Securities Policy and its contents, the Policy will:

- Be part of the Company's Induction Pack for new employees and contractors;
- Be available on the Company's website and intranet (if applicable);

5. Confidential information

You must treat all sensitive, non-public information (**Confidential Information**) about RCG as confidential and belonging to the Company.

You must not disclose Confidential Information to others (including family members, relatives, business or social acquaintances) except as authorised or legally required.

You must avoid inadvertent or indirect disclosure of Confidential Information. Even within RCG, Confidential Information should be distributed to or discussed with others only on a need-to-know basis, and those people must be told that the information is confidential.

Be careful that your conversations are not overheard in elevators, aeroplanes or other public places. Do not leave Confidential Information on conference tables, desks or otherwise unguarded.

Take whatever steps are reasonably necessary to keep Confidential Information from being disclosed, except as authorised or legally required.

6. Further Information

If a Relevant Person has any query about the application of this policy or whether a particular piece of information is price-sensitive, he or she should consult the Chairman, an Executive Director or the Company Secretary.

7. Compliance

The responsibility of monitoring compliance with this policy will reside with the board. The Company Secretary will bring any abnormalities identified, to the attention of the Board.

8. Review and Publication of this policy

The Board will review this policy from time to time. This policy may be amended by resolution of the Board.



This policy or a summary of its main provisions shall be made publicly available on RCG's website in a clearly marked corporate governance section.

SCHEDULE A

SECURITIES TRADING FORM

Name of employee, director, consultant	
Name in which RCG shares are held	
Approval to buy or sell	
Number of securities	
Dollar value	\$
Security: RCG Limited (or other stock name)	
Will the trade lead to a conflict or potential conflict?	
Is the trade for a SMSF or Investment Company?	
Are you entering into a margin loan / Similar funding arrangement?	

I am not in possession of any price sensitive information which could reasonably be expected to have a material effect on the price or value of the security if it was available.

*Once approved, you have ten (10) business days to complete the transaction. If not completed

Signature	
Date and Time	
Permission GRANTED / NOT GRANTED by	
Signature	
Date and Time	

within this timeframe, you will need to seek further approval. Please confirm to the Company Secretary when the transaction is completed, and return completed form to the Company Secretary who will liaise with the Authoriser.