

**AFRICA PRUDENTIAL REGISTRARS PLC**

**SECURITIES TRADING POLICY**

**For Directors, key management and staff**

**Adopted by the Board on February 23, 2016**

# SECURITIES TRADING POLICY

## 1. INTRODUCTION

These guidelines set out the policy on the sale and purchase of securities of Africa Prudential Registrars Plc ("the Company") by any of its staff including Directors and Key Management Personnel.

Key Management Personnel are those persons having authority and responsibility for directing and controlling the activities of the Company, including any Director (whether Executive or Non-Executive).

The Company has determined that its Key Management Personnel are defined as:

- (a) Its Directors and other Executive Committee (EXCO) members;
- (b) Any other person holding a controlled function stated by the Board as Key Management Personnel on the basis that they have authority and responsibility for directing and controlling the activities of the Company either directly or indirectly.

These are:

- (i) Chief Financial Officer
- (ii) Company Secretary
- (iii) Chief Risk Officer
- (iv) Chief Compliance Officer
- (v) Chief Internal Auditor

All staff, including Directors and the other stated Key Management Personnel, are encouraged to be long-term holders of the Company's securities. However it is important that care is taken in the timing of any purchase or sale of such securities.

The purpose of these guidelines is to assist all staff (but more particularly Directors and Key Management Personnel) to avoid conduct known as 'insider trading'.

This policy extends to and the Company will endeavor to bring to the attention of any contractor, consultant or external adviser engaged by it and who may in the course of the engagement come in contact with insider information.

Insider trading is the practice of dealing in a company's securities (i.e. shares or options) by a person with some connection with a company (for example a director, employee, contractor or consultant) who is in possession of information generally not available to the public, but which may be relevant to the value of the company's securities. It may also include the passing on of this information to another. Legally, it is an offence which carries severe penalties, including imprisonment.

## 2. **WHAT TYPES OF TRANSACTIONS ARE COVERED BY THIS POLICY?**

This policy applies to both the sale and purchase of any securities of the Company in issue from time to time.

### 3.1 **Prohibition**

Insider trading is a criminal offence. It may also result in civil liability. In broad terms, a person will be guilty of insider trading if:

- (a) That person possesses information which is not generally available to the market and, if it were generally available to the market, would be likely to have a material effect on the price or value of the Company's securities (i.e., information that is 'price sensitive'); and

- (b) That person:
  - (i) Buys or sells securities in the Company; or
  - (ii) Procures someone else to buy or sell securities in the Company; or
  - (iii) Passes on that information to a third party where that person knows, or ought reasonably to know, that the third party would be likely to buy or sell the securities or procure someone else to buy or sell the securities of the Company.

### 3.2 **Dealing through third parties**

The insider trading prohibition extends to dealings by individuals through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as "Associates" in these guidelines)

## 4. **GUIDELINES FOR TRADING IN THE COMPANY'S SECURITIES**

### 4.1 **The Directors, Key Management Personnel and Staff including persons connected to them, must not, except in exceptional circumstances, deal in securities of the Company during the following "Closed Periods":**

- (a) The period from 15 days immediately preceding the announcement to the Nigerian Stock Exchange of the Company's annual results; and 24 hours after the release has been made;
- (b) The period from 15 days immediately preceding the announcement to the Nigerian Stock Exchange of the Company's half year results; and 24 hours after the release has been made;
- (c) The period from 15 days immediately preceding the announcement to the Nigerian Stock Exchange of each of the Company's quarterly results; and 24 hours after the release has been made;
- (d) A period of two trading days before and 24 hours after any other Nigerian Stock Exchange announcement by the Company; and
- (e) Such other periods as the Board may from time to time by notice in writing designate as a closed period

#### 4.2 **Discretion of the Board**

The Board may at its discretion vary the rule in relation to a particular Closed Period by a memo to all staff including Directors and/or Key Management Personnel either before or during the Closed Period.

However, if a Director, Key Management Personnel or staff of the Company is in possession of price sensitive information which is not generally available to the market, then such person must not deal in the Company's securities at any time.

#### 4.3 **No short-term trading in the Company's securities**

Directors, Key Management Personnel and Staff must never engage in short-term trading of the Company's securities for example buying and selling of shares within a period of thirty (30) days.

#### 4.4 **Securities in other companies**

Buying and selling securities of other companies with which the Company may be dealing is prohibited where an individual possesses information which is not generally available to the market and is 'price sensitive'. For example, where an individual is aware that the Company is about to sign a major agreement with another listed company, they should not buy securities in either the Company or the other company.

#### 4.5 **Exceptions**

Exceptions to the rule on trade on the Company's shares or securities by Directors, Key personnel and Staff will be as follows:

- (i) Acquire ordinary shares in the Company by conversion of securities giving a right of conversion to ordinary shares;
- (ii) Acquire the Company's securities under a bonus issue made to all holders of securities of the same class;

- (iii) Acquire Company's securities under a dividend reinvestment plan, or top-up plan that is available to all holders or securities of the same class;
- (iv) Transfer securities of the Company already held into a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
- (v) They are not in the possession of inside information;
- (vi) The trading is not for short term speculative gain;
- (vii) The trading is not likely to be seen by the public, press, and other shareholders to be unfair or inappropriate;
- (viii) The trading does not take place during a "closed period". A "closed period" is the period from the end of the financial year or half year to the time of release of the annual or half year financial results;
- (ix) Trade under an offer or invitation made to all or most of the security holders, such as a rights issue, where the plan that determines the timing and structure of the offer has 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;
- (x) Dispose of securities of the Company resulting from a secured lender exercising their rights, for example, under a margin lending arrangement;
- (xi) Trade under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in this Policy.

#### **4.6 Notification of period when all staff, directors and/or Key Management Personnel are not permitted to trade**

The Company Secretary will endeavor to notify all Directors or Key Management Personnel of the times when they are not permitted to buy or sell the Company's securities as set out in this policy. All other staff will be notified by the Company Secretary via memos which are displayed on the Intranet.

### **5. APPROVAL AND NOTIFICATION REQUIREMENTS**

#### **5.1 Approval requirements – Directors**

- (a) Any Director wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Chairman or the Board before doing so.
- (b) If the Chairman wishes to buy, sell or exercise rights in relation to the Company's securities, the Chairman must obtain the prior approval of the Board before doing so.

#### **5.2 Approval requirements – other staff including Key Management Personnel**

Any Key Management personnel wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Managing Director before doing so.

#### **5.3 Approval to buy or sell securities**

- (a) All requests to buy or sell securities as referred to in this policy above must include the intended volume of securities to be purchased or sold and an estimated time frame for the sale or purchase.
- (b) Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

#### **5.4 Notification**

Subsequent to approval obtained in accordance with clauses 5.1 and 5.2, any member of staff who (directly or through an agent or proxy) buys, sells, or exercises rights in relation to the Company's securities must notify the Company Secretary in writing of the details of the transaction within two (2) Business days of the transaction occurring. This notification obligation operates at all times.

#### **5.5 Sales of securities**

Directors and Key Management Personnel in particular need to be mindful of the market perception associated with any sale of the Company's securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the management of the sale of any significant volume of the Company's securities (i.e. a volume that would represent a volume in excess of 5% of the total securities held by the seller prior to the sale, or a volume of the shares of the Company on the Nigerian Stock Exchange for the preceding 20 trading days) by a Director or Key Management Personnel needs to be discussed with the board and the Company's legal advisers prior to the execution of any sale. These discussions need to be documented and be retained by the Company Secretary.

#### **5.6 Exemption from Closed Period restrictions due to exceptional circumstance**

Directors or Key Management Personnel who are not in possession of inside information in relation to the Company, may be given prior written clearance by the Chairman (or in the case of the Chairman by the board) to sell or otherwise dispose of the Company's securities in a Closed Period where the person is in severe financial hardship or where there are exceptional circumstances as set out in this policy.



## 5.7 **Severe financial hardship or exceptional circumstances**

The determination of whether staff are in severe financial hardship will be made by the Chairman in the case of Key Management Personnel and/or a Director, and the board in the case of the Chairman.

## 5.8 **Exceptional circumstances**

Exceptional circumstances may apply to the disposal of the Company's securities by a Director or Key Management Personnel if the Person is required by a court order, to transfer or sell securities of the Company, or there is some other overriding legal or regulatory requirement to do so. Any application for an exemption allowing the sale of Company securities in a Closed Period based on exceptional circumstances must be made in writing and be accompanied by relevant court and/or supporting legal documentation (where applicable).

Any exemption, if issued, will be in writing and shall contain a specified time period during which the sale of securities can be made.

## 6. **NIGERIAN STOCK EXCHANGE NOTIFICATION FOR DIRECTORS**

The Nigerian Stock Exchange Listing Rules require the Company to notify the Nigerian Stock Exchange immediately after any dealing in securities of the Company (either personally or through an associate) which results in a change in the relevant interests of a Director in the securities of the Company. The Company has made arrangements with each Director to ensure that the Director promptly discloses to the Company Secretary all the information required by the Nigerian Stock Exchange.

7. **EFFECT OF COMPLIANCE WITH THIS POLICY**

Compliance with these guidelines for trading in the Company's securities does not absolve that individual from complying with the law, which must be the overriding consideration when trading in the Company's securities.