

Share Trading Policy

Style Limited (“Style”) strongly encourages its directors and employees to become shareholders or optionholders in the Company. However, when a director or employee trades in shares of the Company it is important to ensure that these transactions do not reflect badly on either the director, employee or the Company. This Policy is designed to ensure that directors and employees do not deal in shares of the Company at inappropriate times or in inappropriate circumstances.

When buying or selling shares in the Company, directors or employees must ensure that they do not contravene the insider trading provisions contained in Part 7.10 of the *Corporations Act 2001 (Cwlth)*. Inside information is information that is not generally available which could reasonably be expected to have a material effect on the price or value of securities of a body corporate. Information is taken to have a “material effect” on the price or value of a security if it would be likely to influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy, or sell the securities. Thus, to constitute inside information the information must be both price sensitive and not generally available.

Directors of the Company in the course of carrying out their duties often possess information which would be regarded as inside information under the *Corporations Act 2001 (Cwlth)*. Employees may also from time to time be aware of such information. The following are examples of information which could be regarded as inside information:

- proposed strategic business acquisition;
- financial records not yet released to the market;
- significant business transaction such as a large sales contract arrangement;
- a proposed takeover not yet announced to the market.

Where directors or employees possess inside information, they must not engage in dealings with the securities of the Company and cannot, either directly or indirectly, communicate the inside information to other persons. Directors or employees can be liable for insider trading if they recommend the Company’s shares to other persons while they are in possession of price sensitive information which is undisclosed to the general public. Directors and employees should be aware that they can be liable for insider trading by communicating inside information to other persons, for example their spouse, family or friends. This liability arises notwithstanding the fact that the director has not dealt with the securities of the Company. Spouses, family or friends who learn inside information and subsequently act on it before the information becomes public can also be held liable for insider trading.

It is therefore essential that all directors and employees avoid direct or indirect communication of price sensitive information before it enters the public domain. It is equally essential that directors and employees refrain from trading in shares of the company whilst they possess such information.

As a general policy, before engaging in transactions involving the shares of the Company, a director must notify the Company Secretary of the intended transaction. The Secretary shall then place this matter on the agenda for discussion at the next meeting of the Board of Directors of the Company.

The Company's policy regarding dealings by directors and employees in the Company's shares is that directors should never engage in short term trading and directors and employees should not enter into transactions in the following circumstances:

- When they are in possession of price sensitive information not yet released by the Company to the market; or
- For a period of twenty (20) days prior to release by the Company of half yearly and annual reports or such shorter period as may be approved of by the Board of Directors after receipt of notice of intention to buy or sell by a director to other members of the Board.

Directors and employees will generally be permitted to engage in trading (Directors are subject to due notification being given to the Company Secretary and Board of Directors) at the following times:

- For a period commencing four hours after the release of half yearly and annual reports to the market;
- For a period commencing four (4) hours following the release of price sensitive information to the market which allows a reasonable period of time for the information to be disseminated among members of the public; (It is strongly recommended that at least four hours be allowed on the basis that under the *Corporations Act 2001 (Cwlth)*, directors will only be protected following disclosure to the market of price sensitive information, if that information has become generally available. The *Corporations Act 2001 (Cwlth)* contains no specific definition, but does indicate that information is "generally available" if it has been made known in a manner that would or would be likely to bring it to the attention of persons who commonly buy and sell shares in companies of a kind whose price or value might be affected by the information that has been released.)