



**Talent2 International Limited**  
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6 January 2011

Company Announcements  
Australian Securities Exchange Limited  
20 Bridge Street  
SYDNEY NSW 2000

### **Talent2 International Limited Group Employee Securities Trading Policy**

In accordance with ASX Listing Rule 12.9, please find attached the Talent2 International Limited Group Employee Securities Trading Policy.

Yours sincerely

A handwritten signature in black ink, appearing to read "David Patteson".

David Patteson  
Company Secretary  
Talent2 International Limited





## **Talent2 International Limited Group**

### **Employee Securities Trading Policy**

**Policy Owner:**      **Company Secretary**

**Updated:**            **December 2010**

## **1. Purpose**

Talent2 International Limited has a responsibility to ensure that all employees of the group act in accordance with the highest professional and ethical standards when buying and selling Talent2 shares. This policy applies to all directors and employees (including contract employees) of Talent2.

The restrictions under this policy also apply to any person that the director or employee may be expected to control or have influence over (including family members, business partners, companies or other entities and trustees of a trust for which the director or employee is a primary or significant beneficiary) and directors and employees must ensure that such persons comply with this policy as if they were a director or employee of Talent2.

The policy has been designed to ensure that all directors and employees know their responsibilities when trading in the company's shares and to promote transparency and market confidence in the operations of Talent2. The policy is consistent with the ASX Listing Rule requirements with respect to trading policies.

## **2. Background on Insider Trading**

The Corporations Act (Cth) 2001 prohibits "insider trading". Insider trading refers to the buying or selling of, or any other dealing in, securities by insiders who know information about a company that is not generally available to the public or market and which could be expected to have a material effect on the company's share price. If people use "Price Sensitive" or "Inside" information in this manner, they have an advantage over others who don't have the information, therefore putting other investors at a disadvantage. The laws regulating insider trading are designed to create a level playing field for all investors and to preserve public confidence in the securities market.

"Price Sensitive" or "Inside" information includes any information about the company's performance that has not yet been reported to the public and could be expected to affect the price of the company's shares. This includes information generally known by senior management and board members, and also information that may be available to employees or contractors who are involved in various projects within Talent2.

"Securities" includes shares, options and performance rights and also extends to financial products relating to such securities (eg. warrants or other derivative products).

### **3. Trading Rules**

#### **3.1. No trading where in possession of inside information**

Notwithstanding any of the other provision of this policy (including the exclusions set out below), Talent2's directors and employees must not deal in Talent2 securities where:

- i. they are in possession of Price Sensitive or Inside information; or
- ii. Talent2 is in possession of Price Sensitive or Inside information and has notified its directors and employees that they must not deal in Talent2 securities (either for a specified period or until Talent2 gives further notice).

#### **3.2. Trading outside of standard trading windows prohibited**

Talent2's directors and employees are prohibited from buying, selling or otherwise dealing in Talent2 securities except:

- i. During one of the standard trading windows set out in this policy which occur at times when the general public has access to the latest financial results and outlook (certain exclusions to this rule apply which are set out below); and
- ii. Subject to the employee not being in possession of any Price Sensitive or Inside information. e.g. major new contracts, prospective announcements etc.

#### **3.3. Short Term Holdings**

Talent2 encourages all directors and employees to participate in the ownership of Talent2's shares for the long term benefits of dividend income and capital growth. Talent2 prohibits directors and employees trading for short term speculation or gain. Short term speculation includes the use of derivatives and short-selling.

If an employee determines it appropriate to sell the underlying Talent2 share at the point a vested performance awards converts to a security this could be considered a short term holding. However, the prohibition on short term holdings does not extend to such situations. Similarly, subject to the other requirements of this policy, the sale of Talent2 shares at the end of a holding lock period pursuant to a Talent2 employee share plan is not prohibited.

### 3.4. Margin Loan Arrangements



Directors (including the Managing Director), the Chief Executive Officer and the Chief Financial Officer are prohibited from using Talent2 securities as collateral in any financial transaction, including margin loan arrangements.

### 3.5. Standard Trading Windows

Subject to the overriding prohibition against dealing where a director or employee of Talent2, or Talent2, is in possession of Price Sensitive or Inside information (set out above), directors and employees of Talent2 may buy, sell or otherwise deal in Talent2 securities during the following standard trading windows:

- i. During the period 6 weeks commencing on the next trading day after the announcement of Talent2’s preliminary final results to the ASX (usually mid August each year).
- ii. During a period 6 weeks commencing on the next trading day after the date of lodgement of Talent2’s preliminary half yearly report to the ASX (usually early to mid February each year).
- iii. During a period of 4 weeks commencing on the next trading day after the Talent2 Annual General Meeting (usually mid to late October each year).
- iv. During any period that Talent2 has a current prospectus or other form of disclosure document on issue under which persons may subscribe for securities.

Talent2’s Company Secretary will advise all employees of the date that these periods commence.

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
		<p><b>Feb</b> 6 weeks after full year results released</p>						<p><b>August</b> 6 weeks after full year results released</p>			<p><b>October</b> 4 weeks after AGM</p>
<b>No Trading</b>			<b>Trading</b>								
											

### 3.6. Exclusions

Subject to the overriding prohibition against dealing where a director or employee of Talent2, or Talent2, is in possession of Price Sensitive or Inside information (set out above), directors and employees of Talent2 may deal in Talent2 securities outside of the Standard Trading Windows if:

- i. There is no change in the ultimate beneficial holder e.g. transfer from individuals name to the same individual's superannuation fund;
- ii. The dealing is in connection with participating in an approved Employee Share Scheme operated by Talent2 (eg applying for an allocation of Talent2 securities under an employee share offer). However, where the Talent2 securities granted under an Employee Share Scheme cease to be held under the terms of that scheme, any dealings in those securities must only occur in accordance with this policy);
- iii. The acquisition of Talent2 shares is the result of an investment in, or trading in units of, fund or other scheme (other than a scheme which only invests in Talent2) where the assets of the fund or scheme are invested at the discretion of a third party;
- iv. The dealing is under an offer or invitation made to all or most of the Talent2 security holders, such as, a rights issue, an equity purchase program, a dividend reinvestment plan or an equal access buy-back, 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;
- v. A disposal of securities of the entity that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement;
- vi. The dealing is a disposal of Talent2 securities through the acceptance of a takeover offer; or
- vii. The Talent2 Company Secretary approves the acquisition or disposal in writing in exceptional circumstances in accordance with the procedure set out below.

Should a director or employee need to deal in Talent2 securities outside of a standard trading window due to exceptional circumstances in accordance with exception rule 7 detailed above, the director or employee may apply to the Company Secretary seeking a waiver from the prohibition against dealing outside of standard trading windows under this policy.

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

The application for waiver must set out the circumstances of the proposed dealing (including an explanation of the financial hardship or other exceptional circumstance) and the reason why the waiver is being applied for. A waiver will only be granted where the Company Secretary is satisfied that:

- i. sufficient evidence has been provided that the dealing is the only reasonable course of action available in the circumstance and warrants a waiver being granted to allow the dealing to take place outside of the Standard Trading Windows; and
- ii. the director or employee is not in possession of any Price Sensitive or Inside information not generally available to the public and which, if known, could potentially have a material effect on the Talent2 share price.

If the Company Secretary (or an approved delegate) grants the waiver authorising the dealing, he or she will notify the director/ employee of that fact. Once the dealing has been conducted, the director/ employee must notify the Company Secretary (or approved delegate) in writing that the trade is complete.

Any dealing that takes place in accordance with a waiver must comply with the other requirements of this policy.

#### **4. Questions and Contact**

All directors and employees who have any concerns regarding trading in Talent2 securities should contact Talent2's Company Secretary prior to proceeding with any dealings in Talent2 securities.

#### **5. Review of the Policy**

The Board, through the Audit and Risk Committee will conduct an annual review of this policy and update it as appropriate.