1. Preamble

1.1 Purpose
This document sets out the University’s Policy on insider trading. It has been developed to assist you in being aware of, and complying with your obligations with respect to, insider trading. This Policy is not a statement of the law.

1.2 Background
Insider trading occurs when a person acquires or disposes of shares or other securities on the basis of price sensitive information which is not generally available to others.

The Corporations Act 2001 prohibits a person from engaging in insider trading. Insider trading is a criminal offence under the Corporations Act 2001 punishable by large fines, imprisonment or both.

Insider trading can also result in civil liability.

A person found to have engaged in insider trading is liable to disciplinary action by the University which may include suspension or termination of their services.

Insider trading has the potential to damage the reputation of the University.

2. Scope
This Policy applies to:
(a) University Council members;
(b) directors;
(c) officers;
(d) employees; and
(e) consultants,
of the University and entities controlled, whether directly or indirectly, by the University (UNSW Group). These people are described in this Policy as University Persons.
3. Definitions

3.1 **Insider trading** occurs when a person:

(a) is in possession of information;
(b) knows, or ought reasonably to know, that the information is not generally available and if it was generally available it would be expected to have a material effect on the value of securities; and
(c) uses that information to their advantage by trading in securities or procuring that some other person do so on their behalf.

*Insider trading* also occurs when a person possessing inside information communicates that inside information to another person knowing, or reasonably ought to have known, that the person to whom they communicated the inside information will use it to trade in securities.

3.2 **Securities** includes:

(a) debentures, stocks or bonds issues or proposed to be issued by a Government
(b) shares in, or debentures of, a corporation;
(c) interests in a management investment scheme;
(d) derivatives;
(e) superannuation products; and
(f) any other financial products that are able to be traded on a financial market.

3.3 **Information** includes:

(a) matters of supposition and other matters that are insufficiently definite to warrant being made known to the public; and
(b) matters relating to the intentions, or likely intentions of a person.

3.4 **Inside information** means information:

(a) that is not generally available; and
(b) if the information were generally available a reasonable person would expect it to have a material effect on the price or value of securities.

3.5 **Insider** means a person who possesses inside information.

3.6 information is **generally available** if:

(a) it consists of readily observable matter; or
(b) both of the following apply:
   (i) it has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in the relevant securities; and
   (ii) a reasonable period of time has passed since the information became known; or
(c) it consists of deductions, conclusions or inferences made or drawn from either or both of:
   (i) information referred to in paragraph (a); and
   (ii) information made known as set out in paragraph (b)(i).
3.7 **UNSW Group Securities** means security in any corporation controlled by UNSW. A list of these companies is published on the [Legal Office website](#).

4. **Policy Statement**

4.1 **Insider trading**

Insider trading by a University Person in securities of:

(a) an entity directly or indirectly controlled by the UNSW Group;
(b) entities in which the UNSW Group holds an interest;
(c) entities with which the UNSW Group has a commercial relationship, is prohibited.

4.2 **UNSW Group Security**

A University Person may only deal in UNSW Group Securities if that Person:

(a) does not have any inside information and
(b) has received the permission of the Chief Financial Officer.

The Chief Financial Officer must be notified of any delay in any dealings in UNSW Group Securities within 72 hours of effecting a transaction involving UNSW Group Securities.

4.3 **Consequences of a breach of this Policy**

*Insider trading* is prohibited by the Corporations Act. A breach of the prohibition may result in:

(a) the imposition of fines of up to $200,000;
(b) imprisonment for up to 5 years; and
(c) civil liability.

A breach of this Policy may result in disciplinary action being taken by the UNSW Group. Disciplinary action may include the suspension or termination of your services to the University Group.

5. **Legal & Policy Framework**

The [Corporations Act 2001](#) prohibits a person from engaging in insider trading.

6. **Implementation**

6.1 **Roles & Responsibilities**

The University Solicitor is responsible for implementation of this policy.

6.2 **Support and Advice**

If you are uncertain as to the application of this Policy you should contact the Legal Office.

6.3 **Communication**

This Policy will be communicated in accordance with the policy communication guidelines set out in the UNSW Policy Manual.

7. **Review**

This policy must be reviewed by the designated Responsible Officer three years after the stipulated effective date.
Appendix A: History

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<th>Effective Date</th>
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