



VILLAGE ROADSHOW LIMITED

Web Site: www.villageroadshow.com.au

**VILLAGE ROADSHOW LIMITED GROUP
SECURITY TRADING POLICY**

August 2014

A) PURPOSE

The purpose of this Policy is to document practices and procedures for the buying and/or selling of Securities in Village Roadshow Limited (the '**Company**') and its controlled entities (the '**VRL Group**') by Directors and employees of the Company and the VRL Group to protect the Company against the misuse of unpublished information and to regulate such dealings in VRL Group Securities, in particular during Closed Window periods.

The Securities Trading '**Closed Window**' periods means the periods of one calendar month prior to the release to the Australian Securities Exchange ('**ASX**') of both the Company's full year financial results and half year financial results until the commencement of trading on the day after those results are released.

'**Securities**' is widely defined and includes ordinary shares, preference shares, options, debentures and convertible notes issued by the Company or any of its controlled entities, but also includes financial products such as debentures, bonds, warrants, hedges, put and call options, and other derivative products whether issued by the Company or by third parties.

B) ALL EMPLOYEES

The VRL Group employee manual outlines Company policy on standards of conduct, including business ethics and conflicts of interest.

Whilst all employees will know information about their employer, all Directors and most senior divisional and corporate managers are additionally in positions where they will potentially have further knowledge about the Company's products, services, strategies, operations or prospects that is not known to the wider market. This "inside information" by such officers is entirely proper and appropriate for them to know in order for them to fulfil their duties as employees.

However, the *Corporations Act 2001* (Cth) specifically prohibits a person who obtains "inside information" because they are (or have been) a director, officer or employee of a company to improperly use that information to either gain an advantage for themselves or someone else or to cause detriment to the company.

Directors and employees who are in possession of important inside information – that is information not available to the general public and if known could be reasonably expected to have a material effect on the price of the Company's Securities, either upwards or downwards – cannot trade in those Securities.

All employees are urged to exercise caution in relation to any trading by them (or their immediate family and their controlled entities) in any of the Company's Securities when in possession of important inside information, and to ensure that such confidential, unpublished inside information is not communicated to any other parties outside the Company except in the execution of their duties as an employee of the Company.

If an employee considers that they may be in a situation described above, whilst it may be appropriate to discuss the matter with their immediate manager, the general rule would be that they should desist from dealing or trading in the Company's Securities. In particular, special care should be taken in the Closed Window periods.

Where doubt exists, the matter should be referred in writing to VRL's Company Secretaries for a ruling based on a consideration of the relevant circumstances of the employee. If required, legal advice will be sought by the Company Secretaries.

C) DESIGNATED OFFICERS

In addition to the general guidance applicable to all employees in B) above, more detailed, specific requirements apply to the following employees:

1. All members of VRL's Board of Directors;
2. All directors of any of VRL's material subsidiaries or associates;
3. All members of VRL's Key Management Personnel ('KMP');
4. Divisional CEO's and CFO's; and
5. Nominated corporate managers, contractors or consultants.

All the above mentioned '**Designated Officers**' have a higher onus of responsibility to not only refrain from inappropriate trading in the Company's Securities, but to be seen to be restrained in doing so. Accordingly all such Designated Officers (including their immediate family and their controlled entities) are specifically prohibited from dealing in the Company's Securities under any circumstance during the Closed Window periods.

In addition, outside of these two annual Closed Window periods, no Designated Officers may deal in Securities of the Company during any other 'black out' period where that Designated Officer is in possession of any important unpublished information which, if made publicly available, could reasonably be expected to materially affect the price of the Company's Securities, whether upwards or downwards.

Only in exceptional circumstances (such as financial hardship or a Court Order) as approved by the one of the VRL Co-CEOs or by the VRL CFO, can the prohibition on trading during a Closed Window or 'black out' period be varied.

All Designated Officers will be advised bi-annually by email by the Company Secretaries of the commencement of the Securities Trading Closed Window Period. The Schedule of Designated Officers to which this Policy document applies is maintained by the Company Secretaries. The Schedule will be updated from time to time as any change in senior management personnel warrants, and the Designated Officers will be reviewed at least bi-annually (prior to the Securities Trading Closed Window Period email).

Other than members of VRL's Board of Directors and VRL's KMP for whom special reporting responsibilities apply (see below), all Designated Officers contemplating trading in the Company's Securities are obliged to declare in writing that they are not in possession of price sensitive information and to seek prior written permission to trade in the Company's Securities through the Company Secretaries from one of VRL's Co-CEOs or the VRL CFO. Legal advice will be obtained by the Company Secretaries on behalf of the Designated Officers in circumstances where doubt exists.

Where appropriate the Designated Officer will be advised in writing (usually by email) from one of the Company Secretaries whether approval has been granted, and if so whether any conditions that may apply such as the duration of such approval. Such written approval must be obtained by the Designated Officer prior to undertaking any proposed trading activity but especially during any Closed Window period.

A register of such email requests and approvals and any relevant legal advice obtained will be maintained by the Company Secretaries for a period of at least 12 months.

Any Designated Officer found to have breached this Policy will be subject to appropriate disciplinary action by the Company depending on the materiality and severity of the circumstances.

D) VRL KMP INCLUDING DIRECTORS

In addition to the guidance for employees in B) above and for Designated Officers in C) above, ASX Listing Rules have specific requirements for Key Management Personnel ('**KMP**') including Directors of the Company.

'**VRL KMP**' (as defined in the Accounting Standard AASB 124) includes both Executive and Non-executive VRL Directors and other senior VRL executives having the authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of the VRL Group. Such VRL KMP (and their immediate family and their controlled entities) are specifically prohibited from dealing in the Company's Securities under any circumstance during the Closed Window periods.

In addition, outside of these two annual Closed Window periods, no VRL KMP may deal in Securities of the Company during any other 'black out' period where that VRL KMP officer is in possession of any important unpublished information about a potential transaction which, if made publicly available, could reasonably be expected to materially affect the price of the Company's Securities, whether upwards or downwards.

All VRL KMP including VRL Non-executive Directors contemplating trading in Securities in the Company or its controlled entities at any time are obliged to declare in writing that they are not in possession of price sensitive information and are to seek prior written permission via a '**Clearance Notice**' to trade in those Securities from one of the VRL Co-Chairs or VRL Deputy Chairman. Legal advice will be obtained by the Company Secretaries on behalf of the KMP officer in circumstances where doubt exists.

The KMP officer will be advised in writing (usually by email) from one of the Company Secretaries on behalf of the VRL Co-Chairs or VRL Deputy Chairman whether the Clearance Notice has been granted, and if so whether there are any conditions that may apply, for example, the duration of such approval.

For VRL Executive Directors, this Clearance Notice approval to trade in Securities in the Company or its controlled entities is to be sought from VRL's Lead Independent Director.

Only in exceptional circumstances (such as financial hardship or a Court Order) will Clearance Notices be approved by one of VRL's Co-Chairs or VRL Deputy Chairman or VRL Lead Independent Director (as appropriate) for trading by a VRL KMP during a Closed Window or 'black out' prohibition period.

Where a prior Clearance Notice to trade in Securities in the Company or its controlled entities during a Closed Window is approved, details of such subsequent trading is to be provided to the VRL Company Secretaries within 2 Business Days of the transaction and, for Directors, the fact of this Clearance Notice will be disclosed on the appropriate Form 3Y or 3Z with the ASX within the required time frame.

E) DIRECTORS

All VRL directors have a written contractual obligation to the Company to promptly advise the Company of all changes to their interests in Securities, if any, in the Company and its associates. These signed contracts are held by the Corporate Services Department.

Upon receipt of advice of any change in a Director's Securities, the Company Secretaries update the relevant Director's register of security interests and then lodges, as soon as reasonably practicable after receipt of such information, the appropriate Form 3Y or 3Z with the ASX.

In addition, all Directors of the Company, and of the wider VRL Group, are required to provide a Section 183 Standing Notice giving details of the nature and extent of their 'material personal interests' in the affairs of the Company and Group upon their appointment as a Director. Such Standing Notices are retained by the Company Secretaries and are able to be inspected by any Director and are available to all future incoming directors.

F) EXEMPTIONS TO THE APPLICATION OF THIS POLICY

Any issues of the Company's Securities arising from any dividend reinvestment plans, allotment of executive share plan Securities, pro-rata rights issues or any other issues of Securities, are excluded from the above mentioned notification and approval procedures for all employees, Designated Officers, VRL KMP and VRL Directors.

Similarly any salary sacrifice share purchase arrangements for employees or shareholder approved share allotment or purchase plans for VRL Non-executive Directors are excluded from the application of this Policy.

Any transfers of Securities which - whilst changing the registered holder - does not change the underlying beneficial holder of such Securities are also excluded from the scope of this Policy however all details of such transactions by VRL KMP (including VRL Directors) are to be provided within 2 Business Days to the Company Secretaries and will be disclosed on the appropriate Form 3Y or 3Z to the ASX within the required time frame.

G) COMMUNICATION

This Policy, and any subsequent variations to it, will be made available to all VRL employees by posting on the Company's intranet and the Company's corporate website.

The Policy will be forwarded to all VRL Designated Officers, including VRL KMP and VRL Directors at least bi-annually to co-incide with the Closed Window email notification by VRL's Company Secretaries.

The content of this policy will be reviewed at least annually.