



Standard Alliance Insurance Plc

Rc no. 40590

Securities Trading Policy

(For directors, management and staffs.)

Approved by Board of directors

September, 2015.

1. PURPOSE

Standard Alliance Insurance Plc is committed to ensuring that the company balances the personal investment interest of employees and directors with the responsibilities of SA Insurance and its employees by ensuring that personal dealing and investing activities are lawfully and properly conducted.

2. SCOPE

This policy applies to all directors and all employees (including any contractor or consultant on secondment) of Contact and its subsidiaries (collectively employees) and all Standard Alliance insurance Plc controlled entities.

3. DEFINITIONS & ACRONYMS

Business Day: A day other than a Saturday, Sunday or public holiday on which banks are opened for non-automated business in Nigeria.

C.A.M.A: Companies and Allied Matters Act, CAPC20, Laws of the Federation of the Republic of Nigeria, 2004.

Closed Period means the period of 15 days prior to an meeting of the Board to consider the under listed matters and where applicable extending to 24 hours after Price Sensitive Information is submitted to the Securities and exchange commission.

. The under listed matters are:

- Declaration of financial results (quarterly, half yearly and annually)
- Any major expansion plans or winning of bid or execution of huge insurance contracts
- Declaration of Dividends, both interim and final.
- Issue of Securities by way of public offer, or rights or bonus etc.
- Amalgamation, Scheme of Arrangement, Mergers, take overs, buy backs etc.
- Disposal of the whole or substantial part of the undertaking
- Disruption of Company's operation due to natural calamities or huge insurance payback
- Any changes in policies, plans or operations of the Company that is likely to materially affect the prices of the Securities of the Company.
- Litigation/dispute with a material effect
- Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affects the price of the Securities of the Company.
- Such other period(s) as the Board may from time to time notice in writing designated as a Closed Period.

Dealing in security: means an act of buying, selling or otherwise *dealing* in any security or agreeing to buy, sell or otherwise deal in any security by any person either as principal or as agent.

Inside Information: means information related to an Issuer or the Issuer's securities, directly or indirectly, which is not published and the disclosure of which may have a substantial effect on the price of its listed or traded securities or derivative, instruments connected to those securities. The information is of a precise nature which is specific to the Issuer and is likely to have a significant effect on the price of the shares if it were generally available.

Insider: This is any person, group of persons or company who possesses unpublished price sensitive information which has not been made available to the general public in respect of shares/securities.

SEC 400(3) defines an insider as;

Insider means an individual;

- a) Who is connected with the company during the preceding six (6) months in one of the following capacities;
 - I. A director of the company or a related company
 - II. An officer of the company or a related company
 - III. An employee of the company or related company
 - IV. A person involved in a professional or business relationship with the company as above
 - V. A shareholder who owns 5% or more of any class of securities or any person who can be deemed to be an agent of any of the above listed persons and;
 - VI. Members of the Audit committee.
- b) Who by virtue of having been connected with the company as mentioned in paragraph (a) of this rule has obtained unpublished price sensitive information in relation to the securities of the company.

Insider Trading: Rule 10b5-1 of SEC defines **insider trading** as any securities transaction made when the person behind the **trade** is aware of non-public material information, and is hence violating his or her duty to maintain confidentiality of such knowledge.

Material Information: Any information about a company or its products that is likely to change the perceived value of a security when it is disclosed to the public. Examples are; change in the board of directors (BOD), corporate officers or public accounting firm, changes in the company's fiscal year and revisions to financial statements.

N.S.E: Nigerian Stock Exchange Commission.

Price sensitive Information means any information concerning the company or other listed entities that a reasonable person would expect to have a material effect on the price or value of the company's listed securities.

Regulators mean the Security and Exchange Commission, the Nigeria Stock Exchange, the Corporate Affairs Commission and NAICOM that regulate the affairs of the insurance industry.

Securities: Financing or investment instruments (some negotiable, others not) bought and sold in financial markets, such as bonds, debentures, notes, options, shares (stocks), derivatives, swap and warrants.

S.E.C: Securities and Exchange Commission.

Short-term trading: This refers to those trading strategies in stock market or futures market in which the time duration between entry and exit is within a range of few days to few weeks.

4. POLICY

This document sets out the policy relating to and the processes to be adhered to with regards to securities trading in a material circumstances and insider dealings.

4.1. Activities that will amount to dealing in the securities of the company are;

4.1.1. Subscribing for, purchasing or selling Company Shares/Securities or entering into an agreement to do any of those things

4.1.2. Advising, procuring or encouraging another person (including a family member, friend, associate, colleague, family company or family trust) to trade in Company Shares/Securities.

4.1.3. Advising, procuring or encouraging another person (including a family member, friend, associate, colleague, family company or family trust) to trade in Company Shares/Securities.

4.1.4. Entering into agreements or transactions which operate to limit the economic risk of a person's holding in Company Shares/Securities.

4.2. Compliance in dealing with companies securities;

4.2.1. Persons must comply with the insider trading provision contained in the ISA, SEC and CAMA and any other rule that may be in force from time to time.

4.2.2. No person shall engage in any transaction involving a purchase or sale of SA Insurance Securities including any offer to purchase or offer to sell during any period commencing with the date that the Person possesses Insider Information concerning Standard Alliance and ending at the beginning of the trading day following the date of public disclosure of that information or at such time as such public information is non material.

4.2.3. No person shall disclose Insider Information about the Company to any other person where such information may be used by such person to his or her advantage by trading in the Securities of SA Insurance Plc to which such information relates nor shall such person or related person make recommendation or express opinions on the basis of Insider Information as to trading in the SA Insurance's Shares/Securities.

4.2.4. No person shall engage in any transaction involving the purchase or sale of another company's securities while in possession of material Insider Information about such company when that information is obtained in the course of employment with or the performance of service on behalf of the Company and for which there is a relationship of trust and confidence concerning the information.

4.2.5. Persons must avoid and be seen to avoid, actual or potential conflict between their personal interest and the interests of the Company and other security holders in a manner which is in breach of the ISA, CAMA, NSE Listing Rules or other legal obligations.

4.2.6. Persons must not derive personal advantage from information which is not generally available to the public and which has been obtained by reason of their connection with the Company in a manner which is in breach of the ISA, CAMA, NSE Listing Rules or other legal obligations.

4.3. Exempted dealings from Insider trading;

PROVIDED that at such time, the Person classified as an Insider is not in possession of any Insider Information relating to the Company or its Securities that is not generally available to the public and if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company Securities.

Directors and employees of the Company may:

- 4.3.1. Deal in Securities under an offer or invitation made to all or most of the Company's shareholders (including rights issues, security purchase plans, or equal access buy-back where the invitation or offer documentation that determines the timing and structure of the offer has been approved by the board.
- 4.3.2. Participate on an ongoing basis in the Company's dividend reinvestment plans;
- 4.3.3. Apply to participate in any of the Company's executive share plans;
- 4.3.4. Request the transfer of unrestricted Securities from the trustee to an executive;
- 4.3.5. Purchase Securities under any of the Company's employee share plans.

4.4. Notification and Approval:

4.4.1. Approval requirement for Directors

- a. A Director wishing to buy, sell or exercise rights in relation to the Company Securities must obtain the prior written approval of the Chairman or the Board of Directors before doing so.
- b. If the Chairman wishes to buy, sell or exercise rights in relation to the Company Securities must obtain the prior written approval of the Board before doing so.

4.4.2. Approval requirement for Key Management Personnel and Employees:

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

4.4.3. Approval to buy or sell Company Securities:

- c. 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.
- d. Copies of written approval must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

4.4.4. Notification to deal on Company securities;

Subsequent to approval obtained in accordance with section 4.4.1 and 4.4.2 above, any Employee who (directly through an agent or proxy) buys, sells, or exercises rights in relation to the Company Securities must notify the Company Secretary in writing of the details of the transaction within (2) business days of the transaction occurring. This notification obligation operates at all times.

4.4.5. Exemption from Closed Period restrictions due to financial hardship or exceptional circumstance:

Directors or Key Management Personnel who are not in possession of Insider 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 of Directors) to sell or otherwise dispose of the Company 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.

4.4.6. What will amount to financial hardship and exceptional circumstance

- e. What will amount to financial hardship will be made by the Chairman in the case of a Director or a Key Management Personnel, by the Board of Directors in the case of the Chairman and by the Managing Director in the case of Employees of the Company.
- f. 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 granted or issued, will be in writing and shall contain a specified time period during which the sale of Securities can be made.

4.5. Margin Lending

Directors, Key Management Personnel and Employees who enter into any margin lending or securities lending arrangement or otherwise grants a mortgage, charge, lien or other encumbrance (including a title retention arrangement, a right of setoff or right to withhold payment of a deposit or other money, or any third party interest such as a trust or an equity) over the Securities of the Company where control over the right to dispose of those securities may be lost, must report the transaction immediately to the Company Secretary or Managing Director and provide such other details as are from time to time requested by the Company.

The Company Secretary or Managing Director must be notified immediately in writing where a margin call that can only be satisfied by the sale of the Company's Securities is received.

5. Prohibitions;

5.1. Prohibition of Insider dealing during closed period

Insider need to be mindful of the market perception associated with any sale of Company 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 Company Securities (in excess of 5% of the Company's shareholding) by Insider needs to be discussed with the Management or Board or the Company's legal or financial advisers prior to the execution of any sale.

No Insider shall deal in the Company Securities during the following "Closed Period":

- 5.2. The period from 15 days immediately preceding the announcement to NSE of the Company's annual results; and 24 hours after the release has been made;
- 5.3. The period from 15 days immediately preceding the announcement to NSE of the Company's half year results; and 24 hours after the release has been made;
- 5.4. The period of 15 days immediately preceding the announcement to NSE of each of the Company's quarterly results; and 24 hours after the release has been made;
- 5.5. The period from 15 days before the release of a prospectus or other disclosure offering securities in the Company; and
- 5.6. 15 days before release by the Company of any information that is not generally available to the public and if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the Company Securities.

5.7. Prohibition on Hedging

Directors, employees and contractors of the Company must not engage in hedging arrangements, deal in derivatives or enter into other arrangements which limit the economic risk related to the Company's Securities. For the purposes of this Securities Trading Policy, this prohibition applies to any contracts for difference and other contracts intended to secure a profit or avoid a loss based on fluctuations in the price of the Company's Securities.

6. Breach of Security Trading Policy

- 6.1. Employee and Key Management Personnel: Any employee or Key Management who violates this Policy shall be subject to disciplinary action by the Company and shall be reported to the appropriate authorities.
- 6.2. Directors: Directors, whether Executive or Non-Executive who violate this rule shall be subject to disciplinary action by the Board of Directors and be reported to the appropriate authorities.
- 6.3. Individual Responsibility: Every employee, Officer, Director, Key Management Personnel and Contractor has the individual responsibility to comply with this Policy and the applicable laws and regulations.
- 6.4. The Exchange and SEC Sanctions: Persons who breach this policy may be subjected to separate civil and criminal prosecution by the Nigeria Stock Exchange, the Securities and Exchange Commission, relevant law enforcement agencies in Nigeria and other regulatory bodies.

7. Policy not to exclude Best Judgment

The trading of Standard Alliance shares during a trading window or non-closed period should not be considered as a “safe period” and all Employees, Key Management Personnel, Directors, Contractors and all concerned SHALL use good judgment at all times when dealing with Company Securities.

8. The Exchange Notification for Directors

The Exchange Listing Rules require the Company to notify the Exchange within 2 business days after any trading 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 Exchange.

8.1. Third Parties Non Exclusion

A person does not need to be an Insider to be guilty of insider trading in relation to Securities in the Company. The prohibition extends to trading’s by Insider through nominees, agents or other associates, such as family members, family trusts and family companies (referred to as “Associates”).

8.2. Securities in other Companies

Dealing in the securities of other listed companies is unrestricted provided that:
No component of the Company is dealing with such company (ies); and
No individual or Person to whom this Policy applies is in possession of Insider Information in relation to that other company.

Disclosure

In order to maintain transparency and to ensure accountability, this Policy is to be publicized in the internal communications of the Company and the website in a manner consistent with its disclosure policy.