

360 Capital Group

Communications and ASX Disclosure (Listed Entities)

Procedure Number	524.0
Procedure Owner	Company Secretary (CS)
Related Documents	513.0 Advertising and Promotional Materials Disclosure Procedure Continuous Disclosure Procedure (Unlisted Funds) 527.0

Policy

Procedure Policy

The governance culture and framework of 360 Capital Group Limited (**360 Capital**) are based on the Corporations Act 2001; relevant Australian Securities & Investment Commission (ASIC) Regulations and where applicable, on the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations ("ASX Principles and Recommendations").

360 Capital listed entities (**Entities**) comply with the majority of ASX Principles and Recommendations. Where 360 Capital considers that a Recommendation is inappropriate for the circumstances of the Funds or one of its Entities, an explanation is provided in the Entity's annual corporate governance statement consistent with the ASX Principles' "if not, why not" approach to disclosure of corporate governance practices.

Aside from complying with ASIC and ASX requirements, communication and disclosure is important for investor confidence and the reputation of the business.

360 Capital's objective is to ensure that announcements are factual and presented in a clear and balanced way, and that investors have equal and timely access to material information concerning their investments. The delivery of financial services disclosures and relevant communications will be facilitated through electronic means such as email, hyperlinks, reference to the 360 Capital website, and other emerging technologies.

Identified Risks

Identification and Methodology

Risks relevant to this policy can be identified in Protecht ERM.
The risk methodology applicable to the policy is documented in Risk Management Program 401.0.

Legal and Industry Standards

Relevant Law, Fund Constitution Requirements and/or Industry Standard

- a. Corporations Act 2001 (the **Act**) Part 2M.3 and Parts 7.6 and 7.9; Chapters 6CA; s.674 and Chapter 7
 - b. ASX Listing Rules
 - c. ASX Principles and Recommendations (3rd Edn.)
 - d. ASIC Act 12BB (misleading representations).
 - e. ASIC Class Orders 02/143 (financial product market research) and 02/641 (hawking securities).
 - f. ASIC Regulatory Guide – 46 Unlisted property schemes: improving disclosure for retail investors
 - g. ASIC Regulatory Guide – 141 Offers of securities on the Internet
 - h. ASIC Regulatory Guide – 158 Advertising and publicity for offers of securities
 - i. ASIC Regulatory Guide – 170 Prospective financial information
 - j. ASIC Regulatory Guide – 198 Unlisted disclosing entities: continuous disclosure obligations
 - k. ASIC Regulatory Guide – 221 Facilitating online financial services disclosures
 - l. ASIC Regulatory Guide – 234 Advertising financial products and advice services: good practice guidance
 - m. Competition and Consumer Act.
 - n. Copyright Act.
 - o. FSC Standard 1.00 - Code of Ethics and Code of Conduct.
 - p. FSC Standard No. 10 – Promotional Statements and Advertising.
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Process

Initiation Point Upon the 360 Capital business being listed on the ASX.

Closure Ongoing.

Compliance Obligations

360 Capital has in place for its unlisted disclosing entities policies and procedures to meet ASIC continuous disclosure obligations (refer to Continuous Disclosure Procedure (Unlisted Funds) 527.0 and Advertising and Promotional Materials Disclosure Procedure 513.0).

For its listed Entities, 360 Capital is required to comply with ASX Listing Rules 3.1 and 3.1A; and s.674 of the Act.

Listing Rule 3.1 requires the Entity to immediately tell the ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of its listed securities.

Under Listing Rule 3.1A the requirement under Listing Rule 3.1 does not apply to particular information while **each** of the following requirements is satisfied in relation to the information:

- A1 One or more of the following situations applies:
 - a) it would be a breach of the law to disclose the information;
 - b) the information concerns an incomplete proposal or negotiation;
 - c) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - d) the information is generated for the internal management purposes of the Entity; or
 - e) the information is a trade secret; **and**
 - A2 The information is confidential and the ASX has not formed the view that the information has ceased to be confidential; **and**
 - A3 A reasonable person would not expect the information to be disclosed.
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What Must Be Disclosed?

Information will have a “material effect” where it is likely that the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of those securities (s.677 of the Act) and is referred to in this procedure as “market sensitive information”.

The test for determining whether information is market sensitive as set out in s.677 is an objective one and the fact that an Entity’s officers may honestly believe that information is not market sensitive and therefore does not need to be disclosed will not avoid a breach of Listing Rule 3.1, if that view is ultimately found to be incorrect.

The following are examples (by no means exhaustive) of the type of information that could be market sensitive:

- a) a transaction that will lead to a significant change in the nature or scale of the Entity’s activities;
- b) a material acquisition or disposal;
- c) the granting or withdrawal of a material licence;
- d) the entry into, variation or termination of a material agreement;
- e) becoming a plaintiff or defendant in a material law suit;
- f) the fact that the Entity’s earnings will be materially different from market expectations;
- g) the appointment of a liquidator, administrator or receiver;
- h) the commissioning of an event of default under, or other event entitling a financier to terminate, a material financing facility;
- i) under subscriptions or over subscriptions to an issue of securities (a proposed issue of securities is separately notifiable to the ASX under Listing Rule 3.10.3);
- j) giving or receiving a notice of intention to make a takeover; and
- k) any rating applied by a rating agency to the Entity or its securities and any change to such a rating.

For these purposes, “information” extends beyond pure matters of fact and includes matters of opinion and intention. It is not limited to information that is generated by, or sourced from, within the Entity. Nor is it limited to information that is financial in character or that is measurable in financial terms.

Under Listing Rule 3.1, an Entity must disclose all information concerning it that it becomes aware of from any source and of any character, if a reasonable person would expect the information to have a material effect on the price or value of its securities.

What Must Be Disclosed? (continued)

An Entity becomes *aware* of information if, and as soon as, an officer of the Entity has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that Entity.

The extension of an Entity's awareness beyond the information its officers in fact know to information that its officers "ought reasonably have come into possession of" effectively deems an Entity to be aware of information if it is known by anyone within the Entity and it is of such significance that it ought reasonably to have been brought to the attention of an officer of the Entity in the normal course of performing their duties as an officer (see 8.6 Reporting Info below).

If faced with a decision on whether information needs to be disclosed under Listing Rule 3.1 it may be helpful to ask two questions:

- 1) "Would this information influence my decision to buy or sell securities in the Entity at their current market price?"
- 2) "Would I feel exposed to an action for insider trading if I were to buy or sell securities in the Entity at their current market price, knowing this information had not been disclosed to the market?"

If the answer to either question is "yes", then that should be taken to be a cautionary indication that the information may well be market sensitive and, if it does not fall within the carve-outs to immediate disclosure in Listing Rule 3.1A may need to be disclosed to ASX under Listing Rule 3.1.

Given the significant penalties that a breach of Listing Rule 3.1 and s.674 can attract, it is essential that:

- a) appropriate caution is exercised in assessing whether information is market sensitive or falls within the carve-outs from disclosure in Listing Rule 3.1A, and that;
- b) the potential consequences of not disclosing particular information in any given case are carefully weighed-up.

It should be noted that information must be disclosed under Listing Rule 3.1 and s.674, even if does not appear to be in the Entity's short term interests to do so (e.g. because the information might have a materially negative impact on the price of its securities and jeopardise a transaction that it is trying to conclude).

The Entity must also comply with those obligations even where it is party to a confidentiality or non-disclosure agreement that might otherwise require it to keep information confidential.

**Disclose
Information
Immediately**

Under Listing Rule 3.1, market sensitive information must be disclosed to ASX *immediately* upon the Entity becoming aware of the information, unless it falls within the carve-outs from disclosure in Listing Rule 3.1A.

“Immediately” does not mean “instantaneously”, but rather “promptly and without delay”.

Doing something “promptly and without delay” means doing it as quickly as it can be done in the circumstances (acting promptly) and not deferring, postponing or putting it off to a later time (acting without delay).

The ASX will expect an Entity to act particularly quickly if the ASX asks it to make an announcement under Listing Rule 3.1B because of a sudden and significant movement in the market price or traded volumes of its securities or otherwise to correct or prevent a false market in its securities. In such cases, if the Entity is not in a position to issue its announcement to the market straight away, the ASX will generally expect it to request a trading halt.

The ASX will also expect an Entity to act particularly quickly if the information to be announced is especially damaging and likely to cause a significant fall in the market price of the Entity’s securities (e.g. information that the board of the Entity has resolved to appoint an administrator or that a lender has declared an event of default and appointed a receiver). Again, in such a case, if the Entity is not in a position to issue its announcement to the market straight away, the ASX will generally expect the Entity to request a trading halt.

**Trading Halts &
Voluntary
Suspensions**

If the market is or will be trading at any time after an Entity first becomes obliged to give market sensitive information to the ASX under Listing Rule 3.1 and before it can give an announcement with that information to the ASX for release to the market, careful consideration should be given to whether it is appropriate to request a trading halt or, in an exceptional case, a voluntary suspension.

A trading halt or voluntary suspension will not be suitable in every case. In particular, since a trading halt can only last for a maximum of two trading days, a trading halt will not be appropriate or of assistance for those more complex or protracted disclosure issues which are unlikely to be resolved within two trading days (although, in an exceptional case, a voluntary suspension might be).

Trading Halts & Voluntary Suspensions (continued)

An Entity's primary obligation under Listing Rule 3.1 and s.674 is to give market sensitive information to the ASX for release to the market promptly and without delay. The ASX would not expect an Entity to request a trading halt or voluntary suspension before it has assessed whether particular information is in fact market sensitive and therefore needs to be disclosed under Listing Rule 3.1.

Having made that assessment, if the Entity is able to give the required announcement to the ASX promptly and without delay then, in most cases, it will not need a trading halt or voluntary suspension to manage its disclosure obligations.

A trading halt may, however, be necessary in the following scenarios:

- a) there are indications that the information may have leaked ahead of the announcement and it is having, or (where the market is not trading) is likely when the market resumes trading to have, a material effect on the market price or traded volumes of the Entity's securities;
- b) the Entity has been asked by ASX to provide information to correct or prevent a false market; or
- c) the information is especially damaging and likely to cause a significant fall in the market price of the Entity's securities (e.g. information that the board of the Entity has resolved to appoint an administrator or that a lender has declared an event of default and appointed a receiver),

and in each such scenario:

- d) where the market is trading, the Entity is not in a position to give an announcement to ASX straight away; or
- e) where the market is not trading, the Entity will not be in a position to give an announcement to ASX before trading next resumes.

As indicated above, these are each scenarios where the ASX will expect an Entity to act particularly quickly and, if it is not in a position to issue an announcement to the market straight away, to request a trading halt.

A trading halt or voluntary suspension will also be necessary if for any reason there is going to be a delay in the release of an announcement under Listing Rule 3.1 and the market is trading during any part of the delay. Examples include:

- a) where the Entity considers the announcement to be so significant that it ought to be approved by its board before it is released to the market but, due to the unavailability of directors, the board meeting is not able to be held promptly and without delay; and

Trading Halts & Voluntary Suspensions (continued)

- b) where the situation is uncertain or evolving but is likely to resolve itself within a relatively short period (in the case of a trading halt, within two trading days) and the Entity considers that it would be better for the announcement to be delayed until there is greater certainty or clarity around the outcome – a case in point would be where the announcement is required because of a leak of information about a transaction under negotiation, where the entity reasonably expects to conclude the negotiations within a short period and it considers that it would be better to delay its announcement until after the negotiations have concluded and it can give a more definitive and informative announcement about the transaction, rather than to make an immediate announcement about the current state of the negotiations.

A voluntary suspension is generally only going to be appropriate where:

- a) the Entity has been in a trading halt but the relevant disclosure issue has not been resolved within the maximum period permitted for a trading halt;
- b) the situation would warrant the granting of a trading halt but the Entity does not believe that the relevant disclosure issue will be resolved within the maximum period permitted for a trading halt; or
- c) the Entity is in serious financial difficulties and it is reasonably of the view that continued trading in its securities is likely to be materially prejudicial to its ability to successfully complete a complex transaction that is, or a series of interdependent transactions that are, critical to its continued financial viability.

If an Entity is unsure about whether it should be requesting a trading halt or voluntary suspension to cover the period required to prepare an announcement, it should contact its listings adviser at the ASX to discuss the situation.

360 Capital's Managing Director (**MD**) will make all decisions in relation to trading halts or voluntary suspensions. No director, employee or authorised representative of 360 Capital is authorised to seek a trading halt or voluntary suspension except with the approval of the MD.

If the Entity decides not to request a trading halt or voluntary suspension to prevent the market trading ahead of an announcement, it should monitor:

- a) the market price of its securities;
- b) major national and local newspapers;
- c) if it has access to them, major news wire services such as Reuters and Bloomberg;
- d) any investor blogs, chat-sites or other social media it is aware of that regularly post comments about the entity; and
- e) enquiries from analysts or journalists;

Trading Halts & Voluntary Suspensions (continued)

for signs that the information to be covered in the announcement may have leaked and, if it detects any such signs, to contact the ASX immediately to discuss whether it is appropriate to request a trading halt.

The Listing Rules, including Listing Rule 3.1, continue to apply while an Entity's securities are in a trading halt or voluntary suspension. Hence, the mere fact that an Entity has requested and been granted a trading halt or voluntary suspension technically does not relieve it of the obligation to announce information under Listing Rule 3.1 promptly and without delay.

Whether and how promptly an Entity has requested a trading halt or voluntary suspension so as to prevent trading in its securities happening on an uninformed basis are significant factors that the ASX takes into account in assessing whether the Entity has complied with the spirit, intention and purpose of Listing Rule 3.1 and whether it ought to refer a possible breach of the rule to ASIC.

Communication Management

The MD will control all 360 Capital's communications. The Company Secretary (**CS**) will assist the MD in these responsibilities.

The CS is responsible for administering this policy and is responsible for dealing with the ASX in relation to all Listing Rule and ASX disclosure issues.

Given that disclosure issues often need to be resolved quickly so that notification to the market can be made in a timely manner, 360 Capital believes that a formal disclosure committee may create unnecessary bureaucracy and unduly slow the process of meeting communications and continuous disclosure obligations.

In order to minimise the risk of inconsistent communications and reduce the risk of inadvertent material disclosures, only the MD (or Chief Financial Officer (**CFO**) in the MD's absence), are authorised to comment publicly on 360 Capital's operations ("authorised spokespersons").

Authorised spokespersons should ensure all proposed public comments are within the bounds of information that is already within the public domain and are not material.

Reporting Information

Employees and authorised representatives of 360 Capital must inform the MD and CS of any matters where it is possible that:

- a) the matter involves non-public information which is likely to influence investors in deciding whether or not to buy or sell units in the listed Fund;
- b) the matter would be of sufficient interest for a journalist to wish to write an article on it; or
- c) the materiality test has been triggered.

Each member of 360 Capital's executive team must raise any issues they believe to be material with the MD or in his absence the CS who will liaise with the MD.

ASX Disclosures

The MD, or CFO or CS:

- a) reviews all ASX announcements prior to release; and
- b) only the MD or CFO or CS are authorised to release material information to the ASX.

The [Document Execution Approval Form](#) (DEAF) must be completed prior to the release of disclosures to the ASX.

The CS must ensure that any ASX disclosure documents are verified and reviewed prior to release.

The MD will, when necessary, provide legal counsel with drafts of communications and disclosure documents for review prior to issue to the ASX.

The CS will annotate the DEAF that the disclosure document has been appropriately verified and reviewed and refer the document to the MD or CFO for approval to issue.

The MD or CFO or CS will authorise the release of ASX disclosure documents and return the signed DEAF to the CS for lodgement of the documents with the ASX.

On receipt of confirmation from the ASX, the CS will promptly place releases to the ASX on 360 Capital's website noting the time and date on the DEAF and forward the document to the Office Manager for inclusion in the register of disclosures.

Media Communication

The MD, or CFO or CS:

- a) reviews all media communications prior to release; and
- b) only the MD or CFO are authorised to release information to the media.

Directors and employees should neither contact nor speak with the media unless expressly authorised to do so by the MD or CFO.

If contacted by the media for comment on any issue relating to 360 Capital, the call must be immediately referred to the MD or CFO.

Any interviews with journalists or site visits by the media to 360 Capital's operations should be organised through the MD or CS to ensure that all information provided is in accordance with the Corporations Act and the ASX Listing Rules.

Confidentiality

Directors, employees and authorised representatives must not disclose information which is potentially the subject of this policy to any person outside 360 Capital, e.g. to analysts or journalists. This is because if market-sensitive information relating to the listed entity becomes known to anyone outside 360 Capital (and its professional advisers) it must be immediately released to the market.

Note that this includes information which is released to the media on an embargoed basis, as the ASX does *not* recognise embargoes.

In performing their duties, directors, employees and authorised representatives are required to take all necessary precautions to preserve the safety of 360 Capital's confidential information.

Managing Market Speculation & Rumours

Market speculation and rumours, whether substantiated or not, have a potential to affect 360 Capital and may result in the ASX formally requesting disclosure by 360 Capital on the matter. Speculation may also contain factual errors that could materially affect the Company.

Unauthorised disclosure of Company information (leaks) may force 360 Capital to formally disclose commercially sensitive information.

No Comment Policy

360 Capital's general policy on responding to market speculation and rumours is that "the Company does not respond to market rumours". This general policy must be observed by directors, employees and authorised representatives at all times.

Market speculation and rumours should be immediately referred to the MD or CFO for consideration.

The Company may issue a statement in relation to market speculation where:

- a) 360 Capital is required to respond to a formal request from the ASX for information; or
- b) 360 Capital considers it has an obligation to make a statement to the market about a particular matter.

In these circumstances, decisions about disclosure will be made by an authorised spokesperson.

Timing

360 Capital must not release information to the public that it has disclosed to the ASX until it has received formal acknowledgment of its receipt from the ASX.

One-on-one Analyst or Investor Meetings

Information which is material must not be disclosed in any discussion or meeting with an investor or analyst.

One-on-one discussions and meetings with investors and analysts should be considered only as opportunities to provide background to previously disclosed information. All such discussions and meetings should be coordinated through the MD or CFO to ensure that any information which is to be communicated during the discussion or meeting is readily available to the public.

Investor Communication

The CS is responsible for:

- a) ensuring communications with unitholders are delivered in accordance with these procedures and the guidelines relating to continuous disclosure; and
 - b) maintenance of 360 Capital's website.
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360 Capital Website

The website provides information specific to each Fund, as well as information relevant to existing or prospective investors.

The website is continually updated and contains relevant corporate information, recent announcements, webcasts, presentations, past and current reports to unitholders and answers to frequently asked questions. Analyst and investor roadshow presentations are included on the website.

Formal Reporting to Unitholders

During the financial year unitholders may elect to receive an Annual Report which is designed to meet legal requirements and keep unitholders informed of the Funds' performance and operations. Update newsletters may also be sent to unitholders throughout the year.

Penalties

Failure to comply with the continuous disclosure obligations is a civil penalty provision under the Corporations Act with a pecuniary penalty.

In addition, a breach of the continuous disclosure obligations is a criminal offence if it can be shown that there was an intentional breach of the continuous disclosure rules. Financial penalties for a criminal breach of the continuous disclosure rules may be applied.

Similarly, directors, officers and advisers may be criminally liable under the Corporations Act and/or Criminal Code if they aid or abet or are in any way knowingly concerned in 360 Capital's contravention of continuous disclosure obligations.

The court also has power under the Corporations Act to order compliance with the Listing Rules on application by the ASX, ASIC or an aggrieved person (for example, a 360 Capital listed entity securityholder).

Contravention of continuous disclosure obligations, in addition to unwarranted publicity, may also lead to suspension of trading in, or de-listing of, listed entity units.

Procedure Standards and Controls**Procedure Standard**

All significant acts in contravention of the laws, regulations, codes or organisational standards and 360 Capital policy and procedures are to be reported in accordance with the Events Breach Reporting and Ongoing Disclosure Procedure 511.0.

Administration**Documentation**

Nil.

Reporting and Action Item

Nil.

- Control Points**
- The MD ensures ongoing monitoring so that 360 Capital communications and disclosures remain accurate, with no material omissions and/or false or misleading statements.
 - The CS will report to the Board on communications and disclosures released during the quarter.
 - Periodic compliance questions are assigned to staff members to attest to procedure controls.
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Review Trigger The CS will review and update this policy and procedure every two years and when necessary in response to changes in internal structure, legislative and regulatory developments and technology developments.

Associated Documents

513.1 Document Execution Approval Form (DEAF)

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