

**AURORA FUNDS MANAGEMENT LIMITED**  
**ABN 69 092 626 885**  
**AFSL: 222110**

**CODE OF CONDUCT & ETHICS**  
**FOR**  
**DIRECTORS, EMPLOYEES &**  
**AUTHORISED REPRESENTATIVES**

Prepared **September 2007**, and is valid as at that date.

Aurora may engage (from time to time) independent consultants who will operate under the Aurora license. References in this document to directors, employees or staff include consultants.

## **CODE OF ETHICS**

### **1. CONFIDENTIALITY**

All information regarding the affairs of the Company, or its clients acquired in the course of employment / appointment as a representative must be regarded as privileged information.

Except as may be required by law **or** unless expressly authorised by a Director (excluding yourself) **or** for proper performance of your duties, you must not during your employment or any time thereafter, without prior written consent:

1. disclose to any third party or take advantage of or seek to take advantage of any such privileged, confidential information;
2. deal in or directly or indirectly cause or procure any person to deal in securities in respect of which you possess confidential information; or
3. disclose to any third party any such information regarding the business or methods of operations of, or dealing with, clients.

### **2. CONFLICTS OF INTERESTS**

All employees should avoid conflicts between the Company's interests and their personal and family's interests. Whilst it is not possible to list all situations that might involve a conflict of interest, you should not allow yourself to get into a position where you can influence transactions between the Aurora and interests connected with you or your family, for personal benefit.

### **3. INSIDER TRADING**

Insider trading is a criminal offence (carrying severe penalties including imprisonment). Not only must you not buy or sell securities when in possession of non-public price sensitive information, you must not disclose it to other people if those other people might use it to buy or sell securities.

As a guide to the situations when this prohibition applies, if you are in possession of the following information, you should consider whether its disclosure to the public would materially affect the price of securities:

- profit forecasts;
- impending takeovers, mergers or reconstructions;
- proposed share issues;
- significant changes in operations or management;
- significant new products or mineral discoveries;
- major litigation;
- financial liquidity problems.

Aurora maintains personal account dealing rules, a copy of which can be obtained from the Compliance Officer. Procedures and controls have been put in place, as described in the following sections, to ensure compliance.

### **4. EMBARGO LISTS**

Aurora may maintain embargo lists, which will be updated as necessary. The Directors are responsible for determining when circumstances are such that it is necessary to embargo a stock. The fact that a stock has been embargoed must not be communicated outside the Company.

Any employee/representative who believes they possess price sensitive information must inform the Compliance Officer or Directors as soon as practicable so that the Directors can determine appropriate information.

### **5. DIRECTOR/EMPLOYEE TRADING**

You must not purchase or sell any securities where there is a corporate based preclusion on trading in the relevant securities. The following persons connected with you must also not purchase or sell securities unless you or they have first ensured that the securities are not embargoed:

- your spouse or dependent children, unless you satisfy the Compliance Officer that the personal dealings of our spouse are independent of your own dealings;
- the trustees of a trust under which you or a connected person has, or may in the future have, a beneficial interest;
- a company which is controlled by you or a connected person;
- any other individual or company whose relationship with you is such that you could reasonably be expected to have influence over the other person's judgement as to how their property is invested or rights attaching to such investments are exercised.

You can only purchase or sell units in Aurora issued trusts, for the 10 trading days, immediately following the release of the prior months Net Tangible Asset information

## **6. PRIORITY**

The Company has priority of dealing over employees. Employees and Directors must not deal on their own account in advance of known Company orders.

The rule is subject to the overriding principle that an employee is not to deal at all on his/her account if he/she knows a transaction will have or is likely to have a direct adverse affect on the interests of the company (including Scheme's managed by Aurora).

## **7. GENERAL**

Employees must make all disclosures, keep all records and take all steps necessary to enable Aurora to comply with all relevant legislation, and common law obligations and shall comply immediately with all instructions to ensure such compliance.

# **CODE OF CONDUCT**

## **1. Directors' Obligations**

### **Register of Interests**

The Directors must ensure that the Aurora complies with the requirements for maintaining Registers of Interests.

### **Monitoring**

The Directors are responsible for monitoring the performance and compliance of all representatives. During performance reviews of staff members the Directors should discuss the representative's performance of his/her duties under the authority and the law.

The Directors must inform the Compliance Officer immediately if they become aware of any breach of the law by any representative.

### **Training**

The Directors are responsible for the ongoing training of all of representatives, and in particular:

- any training to be given consequent on any new business activity being undertaken or changes in legislation affecting the Company activities; or
- any special training for a particular representative necessary through any lack of knowledge or promotion or change in his/her job specification.

The Directors must ensure that each of the representatives completes a minimum number of training hours per year to be set periodically.

The Directors should maintain a training register of their representatives indicating the training received by each representative including the topics covered, number of hours completed, nature of training, and a notation of any test component of the training.

All training should be pre-agreed with personnel to enable proper compliance with legislation and regulation.

A report should be provided to the Compliance Committee and Board yearly on the activities of their representatives demonstrating compliance with the minimum requirements.

### **Appointment of Representatives and Minimum Requirements for Appointment**

The Directors must ensure that representatives have achieved the minimum requirements for appointment and are familiar with the law.

Generally, before representatives act for a licensee, they should have adequate knowledge of the following matters:

- (a) The industry in which they are at work;
- (b) A clear understanding of alternate types of financial instruments in the marketplace;
- (c) A thorough knowledge of the products being promoted, and not solely the favourable aspects;
- (d) A thorough knowledge and understanding of the conditions attached to the license and particularly restrictions placed on it; and
- (e) The information that must be given to, or obtained from, a client to satisfy the legislation.

Prior to appointment, all proposed authorised representatives must demonstrate that they meet these requirements.

## **2. Supervision and Training**

Representatives must be adequately supervised and properly trained in relation to their duties before acting as a representative and at all times while acting as a representative.

Aurora will require that each representative:

- is adequately supervised in the performance of the duties that she/he is required to perform; and
- is adequately trained in relation to those duties before acting as a representative; and
- keeps up to date in relation to those duties by means of continuing training programs.

Aurora must comply with the training standards specified under ASIC Policy.

All persons providing financial services are required to meet requirements covering knowledge of financial products, the economy and the operation of financial markets. In addition, representatives are required to have specialist knowledge in securities / managed investment and all other financial products in which they deal.

Aurora will require that all applicants for positions requiring them to be appointed as authorised representatives, to demonstrate compliance with ASIC training requirements prior to their appointment.

## **3. Minimum Knowledge**

Generally, before representatives act for Aurora, they should have adequate knowledge of the following matters:

- a. The legal requirements under Chapters 5C and 7 (Financial Services & Markets) of the Corporations Act, any other appropriate legislation such as the Trade Practices Act, and relevant regulations;
- b. The industry in which they are at work;

- c. A clear understanding of alternate types of financial instruments in the marketplace;
- d. A thorough knowledge of the products being promoted, and not solely the favourable aspects;
- e. A thorough knowledge and understanding of the conditions attached to the license and particularly restrictions placed on it; and
- f. The information that must be given to, or obtained from, a client to satisfy the legislation.

#### **4. Register of Interests in Securities**

Directors, employees and authorised representatives must keep a register of relevant interests. The register must be maintained by each authorised representative in a manner enabling the particulars required to be disclosed by the prescribed form to be readily available.

The Act contains complicated rules for determining the other circumstances in which you will have a “relevant interest” in securities.

#### **Code of Ethics and Conduct Addendum**

While being a director, employee or authorised representative of Aurora that you will, at all times:

- act diligently, ethically, soberly and honestly.
- not take any drug unless prescribed by a medical practitioner or lawfully available without prescription and used in accordance with directions.
- in the event that you become intoxicated whilst entertaining a client you will not return to the office that day nor place dealing orders whilst intoxicated.
- comply with all occupational health and safety policies of the company.
- not be engaged or involved in any business apart from the performance of your duties during working hours.
- not commit any criminal offence, and not otherwise breach any law or regulation which could adversely affect the interests of the company.
- not harass any person or unlawfully engage in any discriminatory behaviour.
- not otherwise act in any manner which could disrupt or adversely affect the reputation, interests or goodwill of the company.