

# Dealing Policy

---

## 1. INTRODUCTION

- 1.1 The freedom of directors and applicable employees of AIM companies to deal in their company's securities is restricted in a number of ways: by statute, by common law, and by the AIM Rules.
- 1.2 Rule 21 of the AIM Rules stipulates that 'an AIM company must have in place from admission a reasonable and effective dealing policy setting out the requirements and procedures for directors' and applicable employees dealings in any of its AIM securities.'
- 1.3 However, under 'Guidance Notes' to the said Rule 21 mentioned in paragraph 1.2 herein above, the Exchange further notes that:

*Compliance with rule 21 does not mean that an AIM company will have satisfied its obligations under Article 19 of MAR.*

*In determining whether it is appropriate to give clearance under its dealing policy, the Exchange would expect an AIM company to consider its wider obligations under MAR.*

- 1.4 Recital 2 to MAR maintains that "[a]n integrated, efficient and transparent financial market requires market integrity. The smooth functioning of securities markets and public confidence in markets are prerequisites for economic growth and wealth. Market abuse harms the integrity of financial markets and public confidence in securities and derivatives". The purpose of this dealing policy is to ensure that directors, applicable employees, and persons connected with them do not abuse, and do not place themselves under suspicion of abusing, unannounced inside information, especially in periods leading up to an announcement of the Company's results.
- 1.5 Company directors, like other individuals, are prohibited from insider dealing by the Criminal Justice Act 1993. Under that Act it is a criminal offence for an individual who has information as an insider to deal on a regulated market, or through a professional intermediary, in securities whose price would be significantly affected if the inside information were made public. It is also an offence to encourage insider dealing and to disclose information with a view to others profiting from it. In addition, there are civil penalties under Part VII of the Financial Services and Markets Act 2000 from committing, requiring or encouraging "market abuse". Recital 7 to MAR describes market abuse as "a concept that encompasses unlawful behaviour in the financial markets and, for the purposes of this Regulation, it should be understood to consist of insider dealing, unlawful disclosure of inside information and market manipulation. Such behaviour prevents full and proper market transparency, which is a prerequisite for trading for all economic actors in integrated financial markets".

## 2. DEFINITIONS AND INTERPRETATION

2.1 The definition and rules of interpretation in this paragraph apply to this dealing policy.

“**AIM**” means the AIM market of the London Stock Exchange plc.

“**AIM Rules**” means the AIM Rules for Companies published by the London Stock Exchange plc.

“**chief executive officer**” means the chief executive officer of the Company whether or not officially appointed to such position.

Otherwise, any independent (non-executive) director of the Company who shall act as an alternate where the chief executive officer is not independent.

For the avoidance of doubt, an acting chief executive officer is a chief executive officer for the purposes of this dealing policy.

“**Company**” means CSF Group plc, a public company limited by shares incorporated and registered in Jersey with company number 104212 having its registered address at Ordnance House, 31 Pier Road, St Helier JE4 8PW.

“**dealing**” means (subject to the provisions of paragraph 4.1) every transaction relating to securities of the Company.

“**FCA**” means the United Kingdom financial services regulator responsible for the conduct of firms authorised under the Financial Services and Markets Act 2000 (FSMA).

And “**deal**” shall be construed accordingly.

“**MAR**” means the Market Abuse Regulation (Regulation 596/2014).

“**person closely associated**” means

- (a) a spouse, or a partner considered to be equivalent to a spouse in accordance with national law;
- (b) a dependent child, in accordance with national law;
- (c) a relative who has shared the same household for at least one year on the date of the transaction concerned; or
- (d) a legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to in any of the three bullet points above, which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person.

**“person discharging managerial responsibilities”** means a person within the Company, who is:

- (a) a member of the administrative, management or supervisory body of the Company; or
- (b) a senior executive who is not a member of the bodies referred to in point (a), who has regular access to inside information relating directly or indirectly to the Company and power to take managerial decisions affecting the future developments and business prospects of the Company;

**“prohibited period”** means any period to which paragraph 3.4 of this dealing policy applies.

**“securities”** means the shares or debt instruments of that issuer or to derivatives or other financial instruments linked thereto.

**“regulated market”** means a regulated market as defined in point (21) of Article 4(1) of Directive 2014/65/EU.

- (a) save as otherwise specifically provided in this dealing policy, words and expressions which have particular meanings in MAR shall have the same meanings in this dealing policy, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the AIM Rules shall have the same meanings in this dealing policy.
- (b) paragraph headings shall not affect the interpretation of this dealing policy;
- (c) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- (d) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- (e) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- (f) a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- (g) unless the context otherwise requires, a reference to a paragraph or sub-paragraph is to a paragraph of, or sub-paragraph thereof, this dealing policy;
- (h) any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms; and
- (i) the provisions of MAR shall apply to the Company; and
- (j) where there is an inconsistency between any of the provisions of this dealing policy and the provisions of MAR, the provisions of MAR shall prevail.

### **3. DEALINGS BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES**

For the purposes of this clause (unless the context otherwise requires) the term person discharging managerial responsibilities shall include persons closely associated with him.

#### **3.1 Clearance to deal**

A person discharging managerial responsibilities must not deal in any securities of the Company without first advising the chief executive officer in advance and granted clearance. In his own case, the chief executive officer, or his alternate, must advise the board in advance at a board meeting, or advise his alternate, and granted clearance from the board or any such alternate, as appropriate.

#### **3.2 Assessment to be made before the grant of a clearance**

An assessment shall first be made by the chief executive officer with regard to the Company's compliance with and obligations under the AIM Rules and MAR before any clearance under subparagraph 3.1 above could be granted.

#### **3.3 Circumstances for refusal**

A person discharging managerial responsibilities must not be granted clearance (as required by paragraph 3.1 of this dealing policy) to deal in any securities of the Company during a prohibited period. A "prohibited period" means:

- (a) any closed period;
- (b) any period when the chief executive officer otherwise has any reason to believe that the proposed dealing is in breach of (any one or a combination thereof) this dealing policy, the AIM Rules or MAR.

#### **3.4 Written record**

A written record must be maintained by the Company of the receipt of any advice received from a person discharging managerial responsibilities pursuant to paragraph 3.1 of this dealing policy and of any clearance granted. Any clearance to deal must specify a time limit on the period during which the transaction is permitted to take place. Such time limit should not normally exceed 24 hours. Written confirmation from the Company that such advice and clearance (if any) have been recorded must be given to the person discharging managerial responsibilities concerned.

### 3.5 Notification requirements

- (a) Persons discharging managerial responsibilities must notify the Company of any dealings conducted on their own account relating to the Company's securities.
- (b) Promptly and within twenty four (24) hours of dealing, a person discharging managerial responsibilities must notify the chief executive officer of the same using the notification form, a template of which is available on the FCA's website at <https://www.fca.org.uk/static/documents/forms/pdmr-notification-form.pdf>. Failure to do so constitutes a breach of this dealing policy.
- (c) A person discharging managerial responsibilities must also notify persons closely associated with him about his obligations under this dealing policy, in particular to those relating to Article 19, MAR. A copy of this notification must be provided to the chief executive officer.
- (d) Persons closely associated with a person discharging managerial responsibilities must, in turn, notify the relevant person discharging managerial responsibilities of their dealings in the Company's securities using the notification form, a template of which is available on the FCA's website at <https://www.fca.org.uk/static/documents/forms/pdmr-notification-form.pdf>. Upon receipt of that notification, the relevant person discharging managerial responsibilities must notify the chief executive officer of the same.
- (e) A person discharging managerial responsibilities is responsible for notifying the FCA of his dealing in the Company's shares within three (3) business days of dealing. The chief executive officer, however, may also make the notification to the FCA on his behalf. Similarly, the chief executive officer will make the information public promptly and within three (3) business days of the dealing.

## 4. GUIDANCE ON OTHER DEALINGS

4.1 For the avoidance of doubt, the following constitute dealings for the purposes of this dealing policy and are consequently subject to the provisions of this dealing policy:

- (a) dealings between persons discharging managerial responsibilities;
- (b) off-market dealings;
- (c) transfers for no consideration by a person discharging managerial responsibilities;
- (d) entering into, or terminating, assigning or novating any stock lending agreement in respect of securities of the Company;
- (e) using as security, or otherwise granting a charge, lien or other encumbrance over securities of the Company;
- (f) any transaction, or the exercise of any power or discretion, effecting a change in the ownership of a beneficial interest in securities of the Company; and

- (g) the acquisition, disposal or discharge (whether in whole or in part) of a related financial product referenced to the securities of the Company.

**5. AIM RULES AND MAR**

- 5.1** Persons discharging managerial responsibilities and persons closely associated with them are required to comply with the provisions of both the AIM Rules and MAR and strictly observe their obligations thereunder.