

## SHARE TRADING POLICY

<b>Policy Name:</b>	Share Trading Policy
<b>Effective Date:</b>	27 April 2009
<b>Approved By:</b>	eircom Holdings Board
<b>Owner:</b>	Company Secretary
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## 1. APPLICATION

This Policy relates to trading in eircom Holdings Limited shares and related securities. In this policy:

- “Shares” means ordinary shares or hybrid capital (as the case may be) of eircom Holdings Limited (**the Company**).
- “Securities” includes shares as well as financial products issued or created over shares by third parties, structured financial products, swaps, futures contracts, contracts for differences, spread bets, options, warrants, depositary receipts or other derivatives over or related to the performance of shares.

This Policy applies to all directors and employees of the Company and its subsidiaries (collectively the **Group**).

The provisions of this Policy that apply to restricted shares held by former employees apply until the later of:

- a) 6 months after the person ceases to be an employee; or
- b) the day which is 6 months after the lapsing of the final escrow period of escrow shares.

## 2. REASONS FOR THE POLICY

This Policy regulates dealings by employees in Securities.

All employees are required to conduct their personal investment activity in a manner that is lawful and avoids conflicts of interest between the employee’s personal interests and those of the Group and its clients. The Company is also keen to promote shareholder and general market confidence in the Group.

This Policy is specifically designed to raise awareness and minimise any potential for breach of the prohibitions on insider trading contained in the Corporations Act, 2001. The Policy is also designed to minimise the chance that misunderstandings or suspicions arise regarding employees trading while in possession of non-public price-sensitive information.

## 3. PROHIBITIONS

All trading in securities by employees must be in accordance with this Policy.

Subject to the provisions of this Policy, trading in securities may only occur in designated trading windows.

For this purpose, ‘trading in securities’ includes exercising options granted by the Company under the Company’s Option Plan.

Consistent with the law, all employees and former employees are prohibited in all circumstances from trading in Securities at any time if they are in possession of non-public price sensitive information regarding the Group and its Securities whether or not a trading window is open. Non-public price-sensitive information is information which is not generally available to the public and which a reasonable person would expect to have a material effect on the price or value of securities.

Employees are also prohibited from procuring others to trade in securities when the employee is precluded from trading.

In addition, employees:

- must not communicate non-public price-sensitive information to someone who might then (i) trade in securities or (ii) procure another person to trade in securities; and
- should seek to ensure that third parties who come into possession of non-public price-sensitive information preserve its confidentiality and do not trade while in possession of that information. This will usually be achieved by means of a written confidentiality agreement.

Employees in all circumstances are prohibited from trading in securities which:

- a) amount to “short-selling” of shares (or an interest in shares);
- b) operate to limit the economic risk of an employee’s holdings of shares or options (including options granted by the Company, whether or not vested); or
- c) otherwise enable an employee to profit from or limit the economic risk of a decrease in the market price of shares;

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#### 4. TRADING WINDOWS

Subject at all times to the prohibitions described above, trading windows during which it will be permitted for employees to buy or sell securities will be notified by the Company Secretary.

The trading windows will generally be opened at the following times:

- a) for a period of 8 weeks following the public release by the Company of its annual and half year results to the Australian Securities Exchange (**ASX**) (commencing on the second trading day after, and ending 8 weeks and 2 days following the day of such release);
- b) for a period commencing on the second trading day following lodgement of the Company's Annual Report with the ASX and continuing for up to one month and two days after the holding of the Company's Annual General Meeting;
- c) during the offer period (for so long as it remains open) under any publicly available prospectus issued by the Company offering Securities; and
- d) during the lodgement by any third party who has submitted a bid document for the Company.

In addition, the Company will open a trading window to permit employees to buy shares on market only during the period of one month commencing on the date that Shares begin trading on the ASX ("Initial Trading Window"). Employees are not permitted to sell shares during the Initial Trading Window.

The sale of restricted shares within a trading window is permitted only as set out the procedure relating to escrow shares described below.

No trading in securities may occur outside of these trading windows without the permission of the Chairman. Permission will ordinarily only be granted in situations of financial hardship and only in the event that the person involved is not in possession of non-public price sensitive information affecting securities. Requests for permission should generally be made through the Company Secretary.

Note that trading windows will not automatically be opened at the times described above. The Company Secretary will notify employees by email when a trading window is opened or closed and will include that information on the Company's intranet.

Notwithstanding the time periods described above, the Company may declare a trading window closed at any time at its absolute discretion and without prior notice (including the Initial Trading Window). For example, this will occur where Directors of the Company believe they hold non-public price sensitive information relating to the Group.

#### 5. PRE-NOTIFICATION, REPORTING AND CONDUCT OF TRADES

##### 5.1. Notification of intention to trade

When permitted to trade in accordance with this Policy, all persons dealing in securities must give at least 2 trading days (or such shorter period approved by the Chairman) prior notification of any trade to the Company Secretary (or his or her designate). In the case of a Director of the Company they must also provide at least 2 trading days prior notice of any intention to trade to the Chairman (or, in the case of notice by the Chairman, to the Deputy Chairman).

The only trades that need not be pre-notified are proposed acquisitions under any Dividend Reinvestment Plan ("**DRP**"), Equity Incentive Plan or as otherwise notified by the Company Secretary. In the case of a **DRP**, the employee must only elect to participate in the **DRP** when they are not in possession of non-public price sensitive information and may not change that election until they are again not in possession of non-public price-sensitive information.

The above notification obligation does not apply to shares that are or have been subject to escrow. Instead, restricted shares are subject to the procedure set out immediately following for escrow shares.

##### 5.2. Escrow Shares

In the case of a proposed sale of restricted shares, the following procedure applies:

- a) Sales are permitted only during a trading window;

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- b) Intended sales must be notified to the Company Secretary no later than 5pm (Sydney time) on the 7<sup>th</sup> day after the first day on which the trading window is open (that 7<sup>th</sup> day being the "**Notice Date**"). The notice must set out the number of shares to be sold ("**Sale Shares**"), and may specify a minimum price that would be acceptable for the Sale Shares ("**Minimum Price**"), which cannot be more than 95% of the closing market price of shares on the Notice Date. If no Minimum Price is specified then the Minimum Price for the Sale Shares is 95% of the closing market price of shares on the Notice Date;
- c) Giving such a notice in respect of restricted shares authorises the Company to arrange the sale of all or part of the Sale Shares on behalf of the shareholder at a gross price (prior to deduction of reasonable brokerage costs) which is no less than the Minimum Price. A notice may be withdrawn and revoked only up until 5pm (Sydney time) on the Notice Date;
- d) The Company will notify each selling shareholder within 7 days of the Notice Date whether it will endeavour to arrange the sale of the Sale Shares, or whether the shareholder is free to sell his or her Sale Shares during the remainder of the trading window at a price no lower than the Minimum Price or such lower price as the Company may in its sole discretion specify in such notice to the selling shareholder. The Company need not elect to treat all selling shareholders in the same way, for example, a shareholder seeking to sell only a small number of shares is more likely to be allowed to sell his or her own shares without the Company's intervention;
- e) If the Company elects to arrange the sale of Sale Shares then it has 14 days from the Notice Date to do so. If the Company has not arranged the sale by the end of that 14-day period then the shareholder may sell his or her Sale Shares (or the part not previously sold) during the remainder of the trading window at a price no lower than the Minimum Price or such lower price as the Company may in its sole discretion specify in such notice to the selling shareholder;
- f) The Company's obligation in arranging the sale is to act in good faith in obtaining a market price for the Sale Shares at the time of the sale given the volume the Company is then trying to arrange a sale for during the relevant period and other market circumstances. The Company may discharge its obligation by arranging for a broker to place the Sale Shares at market, in which case reasonable brokerage costs may be deducted from the gross sale proceeds;
- g) The net sale price achieved (after deduction of reasonable brokerage costs) for Sale Shares is to be divided pro-rata among all selling shareholders. If only part of the total Sale Shares to be sold can be sold at a particular price then all selling shareholders whose stated Minimum Price is equal to or less than the gross per share sale price will sell at that price in the same proportion. To be clear, this paragraph only applies to Sale Shares and to sale proceeds where the sale was arranged by the Company (including where the Company appoints a broker under paragraph (f)). However, the Company (or the broker appointed by the Company) may not sell Sale Shares at a gross price lower than the Minimum Price unless the selling shareholder otherwise agrees.

The Company has an absolute discretion as to whether or not to accept a notice of sale, to allow a notice to be revoked after the Notice Date, to allow a shareholder to alter his or her Minimum Price, or to otherwise waive or amend the above procedure either generally or in a particular case.

### 5.3. Reporting of completed trades

Once a trade of any Securities has been made by or for an employee, its completion, including volume (and, in the case of Restricted Shares, price), must be reported by email to the Company Secretary (and also to the Chairman in the case of a Director of the Company).

Directors of the Company must report all acquisitions or disposals of Securities, including date, price and volume, without exception, so that the Company can comply with its ASX reporting obligations.

### 5.4. Extension of restrictions to family members and others

A number of the restrictions described in this Policy prohibit the communication of non-public price sensitive information to other people or arranging for another person to trade in securities.

Where a person related to or closely connected with an employee undertakes trading in securities which are restricted by this policy, there is often a presumption that such person has been privy to information which is held by the employee. If that presumption is correct, both the employee and the other person may have engaged in insider trading. Even if that presumption is incorrect, such trading may create a perception of insider trading.

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Accordingly, to the extent that it is within employees' power to do so, employees should ensure that any securities trading which is prohibited by this policy is not undertaken by their:

- spouse or partner;
- immediate family members such as a parent, child, sibling, in-laws or other relative living in the employee's home or to whom material support is contributed;
- a company or trust over which the employee has influence or control (regardless of who is the beneficiary);
- a trust of which the employee is a beneficiary (other than a trust over which the employee exercises no control, i.e. a third person or entity exercises exclusive discretionary authority); and
- any other person over whom an employee has investment control or influence.

## 6. TAKEOVERS

The restrictions in this policy do not prevent an employee from accepting a takeover bid or from selling securities under a scheme of arrangement in respect of the Company.

## 7. REVIEW OF POLICY

This Policy will be reviewed regularly by the Company's Directors having regard to the changing circumstances of the Group and any changes to the policy will be notified to affected persons in writing. If employees have any comments or views concerning the operation or effectiveness of the policy, they should be communicated to the Company Secretary.

## 8. BREACHES

Insider trading is strictly prohibited by law and it is incumbent upon all employees to not breach that prohibition. Insider trading, or the perception of insider trading, by any employee will not be tolerated. The existence of a personal financial emergency or hardship does not excuse compliance with this Policy. It is not only important that the Company and its employees do not participate in any insider trading activities, but also that we avoid any *appearance* of insider trading. Any allegation of insider trading would be likely to have a serious detrimental impact on our business. As such, we must all be seen to be actively and diligently upholding the law and complying with this Policy

**Breaches of this policy will be viewed seriously and may lead to disciplinary action being taken against the relevant employee. In serious cases, such action may include dismissal. Any employee who becomes aware of a violation of this Policy should immediately report the violation to the Company Secretary or the head of the Legal Department in their country.**

It should also be noted that, in some circumstances, the Company may be obliged to notify regulatory and/or criminal authorities of a serious breach of this Policy. Insider trading is a serious crime and can result in imprisonment, fines, orders to pay compensation and other penalties against the Company, its Directors and employees.

## 9. QUESTIONS

For questions about the operation of the Policy, please contact the Company Secretary.