

# SECURITIES TRADING POLICY

For Directors, Audit Committee, key management and staff

## **Introduction**

The following constitutes the policy of Nigerian Aviation Company Plc ("nahco aviance") and its subsidiaries regarding the trading of Company securities while in possession of material non-public information ("insider trading").

All staff, including Directors and Key Management Personnel, are encouraged to be long-term holders of the Company's securities. However it is important that care is taken in the timing of any purchase or sale of such securities.

This policy provides a general overview of insider trading based upon laws. As you will see, whether a transaction amounts to insider trading depends upon the facts and circumstances under which it takes place. This policy applies to all directors, officers and employees of the Company.

## **The Company's Policy**

It is the policy of nahco aviance that no director, Management or employee in possession of material non-public information ("Inside Information") may buy or sell securities of the Company or engage in any other action or conduct to take advantage of, or pass on to others, that Inside Information. This policy also applies to trading in the securities of any other company while in possession of Inside Information about that company, including customers or suppliers, obtained in the course of your service for nahcoaviance.

## **Insider Information**

For these purposes, insider information means unpublished price sensitive information, which has not been made public by disclosure and that:

- an investor could reasonably consider material in deciding whether to buy, sell, or hold Company's shares, bonds, or any other securities, or
- could have an effect on the price or value of the Company's securities if publicly released.

Such information includes and not limited to:

- information regarding financial results, earnings, major acquisitions or divestitures, significant changes in financial condition or results of operations,
- Declaration of a cash dividend, stock dividend, stock split or the offering of additional securities;
- Changes in executive management;
- Significant new products or discoveries;
- Gain or loss of a substantial customer or supplier;
- Change in price/cost of services or products;
- Impending financial liquidity problems.

Either positive or negative information may be material if it would result in increases or decreases in the price of securities and could be used to trade in listed securities in view of making a profit or avoiding a loss.

It does not matter how or where the person obtains the information – it does not have to be obtained from the Company to constitute insider information.

## **What is Insider Trading?**

**Insider trading** is the trading of a public company's stock or other securities ( bonds or stock options) by individuals with access to nonpublic information about the company. In various

countries, trading based on insider information is illegal. This is because it is seen as unfair to other investors who do not have access to the information as the investor with insider information could potentially make far larger profits than a typical investor could not make.

Insiders must refrain from trading until Inside Information has been disclosed to the public, and the market has had sufficient opportunity to absorb and evaluate it.

### **Trading Restrictions for Restricted Persons**

The period prior to declaration of price sensitive information is particularly sensitive for transactions in Issuers' securities. This sensitivity is due to the fact that the Directors, persons discharging managerial responsibility and Advisers of the Issuer and their connected persons will, during that period; often possess unpublished price sensitive information.

During such sensitive period, no Director, person discharging managerial responsibility or Adviser of the Issuer and their connected persons shall trade in the Issuer's securities.

All Directors, persons discharging managerial responsibility and Advisers of the Issuer shall conduct all their dealings in the securities of the Issuer only during the free period and shall not deal in any transaction involving the purchase or sale of the Issuer's securities during closed periods or during any other period as may be specified by The Nigerian Stock Exchange from time to time.

### **Closed Period**

No Director, person discharging managerial responsibility and Adviser of the Issuer and their connected persons shall deal in the securities of the Issuer when the trading window is closed. Any period during which trading is restricted shall be termed as a closed period.

The closed period shall be at the time of:

- a. Declaration of Financial results (quarterly, half-yearly and annual)

- b. Declaration of dividends (interim and final)
- c. Issue of securities by way of public offer or rights or bonus, etc.
- d. Any major expansion plans or winning of bid or execution of new projects
- e. Amalgamation, mergers, takeovers and buy-back
- f. Disposal of the whole or a substantial part of the undertaking
- g. Any changes in policies, plans or operations of the Company that are likely to materially affect the prices of the securities of the Company.
- h. Disruption of operations due to natural calamities;
- i. Litigation/dispute with a material impact;
- j. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company.

Notwithstanding the above, even during Authorized Periods, Directors and Management are prohibited from trading while in possession of any information which could be qualified as insider information.

### **Period of Closure**

The period of closure shall be effective from 15 days prior to the date of any meeting of the Board of Directors proposed to be held to consider any of the matters referred to above or the date of circulation of agenda papers pertaining to any of the matters referred to above whichever is earlier, up to 24 hours after the price sensitive information is submitted to The Nigerian Stock Exchange. The trading window shall thereafter be opened.

### **Dealing through third parties**

The insider trading prohibition extends to dealings by individuals through nominees, agents or other associates, such as family members, family trusts and family companies.

**Information/Notification**

The subscription, acquisition or sale of any securities of the Company as well as any deferred transaction relating to such securities must be notified to the Company Secretary, within five trading days following the trade date, where such transactions are entered into by the Chairman of the Board, the Chief Executive Officer, or a Director. Such notifications must indicate the trade date and characteristics of such transactions and specify whether such transactions result from the exercise of purchase or subscription of stock options, and, in that case, the respective number of securities concerned.

Such information is designed to be publicly released by the Company on an annual basis, in accordance with applicable regulations.

Insider trading is a criminal offence and may also result in civil liability and may subject the Company and the individuals involved to civil, administrative or criminal penalties in accordance with applicable laws and regulations.

**FORM OF ACCEPTANCE**

I hereby acknowledge and agree to the receipt and that I have read the Internal Policy relating to trading in securities of the Company, nahco aviance. I understand such Policy and hereby undertake to comply with all of its provisions.

(Signature) .....

(Name) .....

(Date ) .....

Please sign and return a duly filled in and signed copy of this form of acceptance to the Company Secretary’s Office.

Signed  
FOLASHADE ODE  
COMPANY SECRETARY