

INSIDER TRADING POLICY

Introduction

Banks Holdings Limited (BHL) is a publicly traded company listed on the board of the Barbados Stock Exchange (BSE). The BSE facilitates the buying and selling of company securities in a secondary market. BHL has a duty to ensure disclosure of **material information**, defined as information which investors or potential investors would use to make informed investment decisions. Material information has the power to impact the market price or value of a company. Directors, senior executives and other employees may also be investors in the company, but in carrying out their respective duties for the companies, they may also become privy to material information, and hence be designated as **insiders**.

Purpose

The purpose of this policy is to:

- Ensure rapid and effective dissemination of material non-public information
- Identify BHL insiders as defined above
- Identify safe trading periods vs. black-out (non-trading) periods
- Communicate procedure for trading by employees
- Ensure active monitoring of trading by insiders

Who is an Insider?

The Securities Act Cap. 318A ("Securities Act") of the Laws of Barbados defines an insider as:

- a) An issuer in respect of its securities;
- b) An affiliate of an issuer;
- c) A director, officer or employee* of an issuer;
- d) A person who beneficially owns more than ten percent of the equity securities of an issuer or who exercises control or direction over more than ten percent of the votes attached to the securities of an issuer;



- e) Any person whose relationship to the issuer gives him access to a material confidential fact; and
- f) A person who is informed of a material confidential fact by a person described in paragraphs (a) to (e) and who has knowledge that the informant is an Insider.

* - refers to an employee who, due to the nature of his position within BHL, will possess material information of the operations of BHL.

The following persons are recognized as Insiders of BHL:

1. All BHL Directors;
2. All BHL Senior Managers;
3. Individual as identified by Senior Manager of a department to be privy to material information due to the nature of his role within the organization.

Senior Managers are expected to examine the role of each member of his/her department, and provide a list of those individuals who may fall into this category to the BHL Legal Department. The Legal Department will, based on the information submitted, maintain an **Insiders Database** to assist in monitoring the trading activity of insiders.

Scope

This policy is applicable to all employees of the BHL Group. There exists every possibility that employees may come across information which, if it were to be made public, could impact on the price/value of BHL securities, or cause an individual to use that information in making an investment decision. Such information may include:

- Company financial results or financial condition
- Significant changes in senior management or directors
- Pending or proposed acquisitions, partnerships or mergers
- New research developments or product announcements
- Gain or loss of a substantial customer or supplier
- Significant product defects or modifications

Responsibility for Insider Trading Policy

The overall authority for this policy sits with the **BHL Legal Department**. Managers have a responsibility to ensure that members of their respective departments have access to appropriate information in accordance with this policy.



Black-out Periods and Investment Decisions

Notice of an impending black-out period at the end of a fiscal quarter/year will be given seven (7) days and one (1) day in advance. There will be no advanced notice of a black-out period imposed by the Legal Department if the black-out period is enforced due to new developments or the emergence of material information as referred to within the Scope of this Policy. The list above is not exhaustive, and the reasons for imposition of the black-out period will be clearly communicated by the Legal Department.

Black-out periods fall within the following periods during the company's fiscal year:

Black-out period begins	Black-out period ends
December 15	24 hours after financial statement dissemination
March 15	24 hours after financial statement dissemination
June 15	24 hours after financial statement dissemination
September 15	24 hours after financial statement dissemination
Immediately as imposed by Corporate Counsel or Compliance Officer	Immediately upon notice given by Corporate Counsel or Compliance Officer

(e.g. BHL's 2nd quarter for the 2014-2015 financial year ends on February 28, 2015. If the financial statements are disseminated on April 30, 2015, then the blackout period would be March 15 – May 1, 2015)

Insiders should evaluate their investment decisions in light of the constraints faced during the periods listed. Insiders are also prohibited from providing material information regarding the company to family, friends, colleagues, and other acquaintances.

Exceptions

As long as they can demonstrate that they do not possess material non-public information, insiders are allowed to:

1. Purchase securities in any share purchase plan of BHL or its subsidiaries. Concurrent or subsequent sales of the securities during the blackout period is prohibited.
2. Purchase or sell shares of BHL or its subsidiaries in accordance with a Board-approved pre-existing written arrangement. This arrangement must also have been vetted by the BHL Corporate Counsel.
3. Complete transactions which had already commenced prior to the imposition of a blackout period.



Notification Procedure

All insiders must first notify the BHL Legal Department before attempting to complete transactions of BHL shares. This also applies to members of the insider's immediate family (spouse, parent, child or stepchild, or individual living in the same household). Directors, Senior Managers and persons holding 10% or more of BHL are asked to note that this information may be requested by, and subsequently provided to, the Financial Services Commission and the Barbados Stock Exchange Inc.

Policy Violations

Employees are advised that it is an offence to trade with the use of material non-public information. Pursuant to Section 310 of the Companies Act Cap 308, an insider:

1. Is liable to compensate any person for any direct loss incurred by that person as a result of the transaction, unless the information was known or in the exercise of reasonable diligence should have been known, to that person at the time of the transaction
2. Is accountable to the Company for any direct benefit or advantage received or receivable by the insider as a result of the application.

Adherence to the Policy

This policy is to be used as a guide and may be amended from time to time by the Legal Department with the approval of the Board of Directors. If there are any questions or concerns with regards to any part of this policy, employees are asked to consult the BHL Legal Department.

This policy should be read and applied in conjunction with:

- BHL Values
- BHL Code of Ethics
- BHL Fraud Policy Statement
- BHL Whistleblowing Policy

