

DEALING RULES FOR EMPLOYEES AND DIRECTORS

1. INTRODUCTION

NetComm employees and directors may have in their possession sensitive commercial information which could materially affect the value of NetComm securities or the securities of other parties with which NetComm deals. The Corporations Act prohibits insider trading in relation to financial products.

This document:

- a) provides an outline of the insider trading and other relevant provisions of the Corporations Act;
- b) sets out the rules relating to dealings by employees and directors in securities issued by NetComm; and
- c) sets out the rules relating to dealings by employees and directors in financial products issued over NetComm securities, such as warrants, options and futures.

For the purposes of these Dealing Rules, the term "employee" includes, but is not limited to, those persons having authority and responsibility for planning, directing and controlling the activities of NetComm, directly or indirectly and the term "director" means an executive or non-executive director.

These Dealing Rules are designed to assist in preventing breaches of the insider trading provisions of the Corporations Act. Ultimately it is the responsibility of each employee and director to ensure that none of his or her dealings could constitute insider trading.

2. INSIDER TRADING PROHIBITION

2.1 The nature of the Prohibition

Section 1043A of the Corporations Act makes it an offence for a person in possession of information that is not generally available but which, if generally available, might materially impact the price or value of a financial product to:

- trade in (i.e. apply for, acquire or dispose of, or enter into an agreement to do any of these things); or
- procure another person to trade in,

financial products (collectively referred to as "deal in financial products").

It is also an offence to "tip" the information to another person with the knowledge that the person could deal in financial products. Accordingly the effect of this section cannot be avoided by simply getting another person to deal on your behalf.

2.2 How you become aware of the information is irrelevant

It is irrelevant how or in what capacity the person came into possession of the information. This means that Section 1043A will apply to any employee or director who acquires “inside information” in relation to a financial product, no matter in which capacity and is prohibited from dealing in that financial product.

2.3 Information which might affect price value

The prohibition referred to in Dealing Rules 2.1 and 3.4 refers to unpublished information which, if generally available, might materially impact the price or value of financial products.

2.4 What does information include?

“Information” includes matters of supposition or speculation and matters relating to the intentions or likely intentions of a person.

2.5 What information might materially affect price or value?

This means information that a reasonable person would expect to have a material effect on the price or value of financial products. A reasonable person would be taken to expect information to have a material effect on price or value if the information would be likely to influence persons who commonly invest in financial products whether or not to do so.

Examples of this type of information might affect the price or value of NetComm securities include:

- proposed changes in NetComm’s capital structure, capital returns and buy backs of NetComm securities;
- information relating to NetComm’s financial results;
- a material acquisition, divestment or realization of assets;
- proposed dividends and share issues;
- changes to the Board;
- possible events which could have a material impact on profits (negatively or positively) e.g. loss of a major customer;
- proposed changes in the nature of the business of NetComm;
- notification to NetComm of a substantial shareholding; and
- any information required to be announced to the market pursuant to Listing Rule 3.1.

2.6 What does “unpublished” mean?

“Unpublished”, for this purpose, means that the information is not generally available. Information is generally available if it consists of readily observable matter or it has been disseminated in a manner likely to bring it to the attention of investors and a reasonable period has elapsed.

NetComm publishes information to the market by releasing announcements through the Company Announcements Platform of the Australian Securities Exchange Limited (**ASX**).

3. DEALING IN SECURITIES ISSUED BY NETCOMM

To assist in the prevention of insider trading, NetComm has put in place a series of restrictions on the ability of its employees and directors to deal in NetComm securities. While this dealing policy does not apply to the securities of companies other than NetComm, each employee and director should be aware that the prohibitions in the Corporations Act outlined above also apply to securities in other companies. This will be particularly relevant if an employee or director has inside knowledge regarding those other companies because of their position in NetComm.

External advisers and other parties with which NetComm deals should be made aware of the potential confidential or sensitive nature of information made available to them.

In these rules securities includes all securities issued by NetComm (particularly shares and options).

3.1 No Dealing permitted during a Non Trading Period

Subject to Dealing Rules 3.2 to 3.9, employees and directors are permitted to deal in NetComm securities throughout the year except during the commencement of the 5 week period preceding the announcement of:

- the annual results; and
- the half yearly results.

Each period is referred to as the Non Trading Period. The period where dealing is permitted is called the Trading Period.

3.2 Notice of Non Trading Period

Notice of the commencement and closure of the Non Trading Period will be sent by email to directors and employees. Where an employee does not have email access, it is the manager's responsibility to inform the employee.

3.3 Requirement to notify before dealing

Even during a Trading Period, an employee must not deal in NetComm securities without first:

- completing and forwarding a Notification Form to Deal in NetComm Shares (Attachment A) with Part A duly completed to the Company Secretary or Managing Director; and

- confirming with the Company Secretary or Managing Director that he or she is prepared to complete Part B of the Notification Form to Deal in NetComm Shares.

A director must not deal in NetComm securities without first consulting and confirming with the Company Secretary or Managing Director.

While this policy covers all trading in NetComm securities, generally, permission to deal will be granted for participation in any dividend reinvestment fund introduced by NetComm and for other corporate actions open to all shareholders.

3.4 Prohibition in dealing while in possession of relevant information

Dealing in NetComm securities is subject to the prohibition that an employee or director must not deal in NetComm securities:

- at any time when he or she is in possession of unpublished information which, if generally available, might materially affect the price or value of those NetComm securities; and
- on the day the public announcement is made in relation to that matter.

3.5 Prohibition on active dealing

Dealing during a Trading Period is subject to the prohibition that an employee and director must not actively deal in NetComm securities with a view to deriving profit related income from that activity. “Actively deal”, for this purpose, means to deal in NetComm securities in a manner which involves frequent and regular trading activity.

3.6 The effect of notification

Notification of any dealing in NetComm securities to the Company Secretary or Managing Director and the completion of Part A and Part B of the “Notification Form to Deal in NetComm Shares” does not constitute an approval or a recommendation by or on behalf of NetComm of the relevant dealing.

However, it is the responsibility of the Company Secretary or Managing Director on receiving a “Notification Form to Deal in NetComm Shares” to consider the circumstances of the employee concerned and either to:

- complete Part B of the “Notification Form to Deal in NetComm Shares” which then serves as written clearance to trade for the purposes of the Dealing Rules; or
- direct the employee that the relevant dealing ought not be undertaken.

An employee must comply with the direction given by the Company Secretary or the Managing Director.

3.7 Special approval to deal during the Non Trading Period

If there are exceptional circumstances, for example a pressing financial commitment, then approval may be given by:

- the Managing Director in his discretion to an employee to deal during the Non Trading Period;
- the Chairman in his discretion to a director to deal during the Non Trading Period;
- the Chairman and the Chairman of the Audit Committee in their discretion to the Managing Director to deal during the Non Trading Period;
- the Managing Director and the Chairman of the Audit Committee in their discretion to the Chairman to deal during the Non Trading Period.

Any such approval must be obtained in advance. It cannot be given after the event.

A dealing for which such special approval is given remains subject to Rules 3.3, 3.4, 3.5 and 3.6.

The discretion will be applied, taking into account the hardship of the employee or director and weighing this against any perceived detriment to NetComm's reputation.

3.8 Confirmation of dealing that has occurred

Employees must provide confirmation of dealing in NetComm securities by the employee or his/her associate(s).

3.9 Notice of change to Trading Period or Non Trading Period

The Non Trading Period, as outlined in Rule 3.1, may be extended or shortened or another Non Trading Period may be introduced at any time by direction of the Managing Director or the Chairman, including when NetComm is considering any matters which are subject to Listing Rule 3.1A. Notice of such changes will be specified to employees and directors by email. Changes to the Non Trading Period or Trading Period are effective immediately upon the giving of such notice. Where an employee does not have email access it is the manager's responsibility to inform the employee.

A dealing during any such change remains subject to Rules 3.3, 3.4, 3.5 and 3.6.

3.10 Director requirement to report to the market – Listing Rule 3.19A

Directors are required to provide details of all changes to their interest in NetComm securities registered in the name of the director or held on behalf of the director, directly or indirectly. The details must be provided as soon as reasonably possible after the date of the change and in any event no later than three business days after the change or another agreed time frame which allows for compliance with the

listing rule obligations.

Directors who enter into margin loans, securities lending or similar funding arrangements involving a material number of NetComm securities are required to notify details to the Chairman who will determine whether disclosure to the ASX is required.

4. PROHIBITION ON DEALING IN FINANCIAL PRODUCTS ISSUED OVER NETCOMM SHARES

Employees and directors are not permitted to deal at any time in financial products such as options, warrants, futures or other financial products issued over NetComm securities including any created by third parties such as banks and other institutions traded on either ASX markets or any other market. An exception may apply where NetComm securities form a component of a listed portfolio or index product.

Employees and directors are not permitted to enter into transactions in products associated with NetComm securities which operate to limit the economic risk of unvested entitlements to securities of NetComm (for example, under employee or director share or options plans).

5. WAIVING RULES

If there are exceptional circumstances, the Managing Director, in his discretion, may waive parts of the Dealing Rules to allow for employees to deal.

If there are exceptional circumstances, the Chairman in consultation with the Managing Director and the Chairman of the Audit Committee, in their discretion, may waive parts of the Dealing Rules, to allow directors to deal.

This discretion will be applied, taking into account the hardship of the employee or director and weighing this against any perceived detriment to NetComm's reputation.

6. RELATED PARTIES AND RELEVANT INTERESTS

The restrictions on dealings by an employee or director are equally applicable to any dealings:

- a) by their spouses or de facto spouses;
- b) by or on behalf of any dependant under 18 years of age; and
- c) any other dealings in which, for the purposes of the Corporations Act, he or she is or is to be treated as interested. For example, if an employee or director is a trustee of a trust and is also a beneficiary of the trust, the employee or director must not purchase NetComm securities on behalf of the trust.

It is the duty of the employee and director to seek to avoid any such dealing at a time when he or she is prohibited from dealing.

7. EMPLOYMENT AND MONITORING OF COMPLIANCE

To promote understanding of the insider trading prohibition, related Corporations Act provisions and NetComm policy, a copy of this document will be distributed to all employees and directors (present and future) and will also be available on the NetComm intranet site. The induction procedures for new employees and directors must require that a copy of this document be provided to each new employee and director.

The Managing Director will ensure that the insider trading prohibition and related Corporations Act provisions are drawn to the attention of employees and directors by written memorandum at least once in every 12 month period.

At least once in every 12 month period, the Audit Committee will review NetComm's adherence to the procedures set out in this document.

ATTACHMENT A – NOTIFICATION FORM TO DEAL IN NETCOMM SHARES
PART A – For completion by Employee

Name of Employee	
Description of Shares (i.e. number of securities)	
Sale (S) Purchase (P) Subscription (SUB) Agreement (AGR)	
Proposed date of Transaction	

I confirm that:

- 1.1 I am not in possession of any unpublished information which, if generally available, might materially affect the price or value of NetComm securities; and
- 1.2 The transaction in NetComm securities above described does not contravene the rules of NetComm concerning dealing in NetComm Shares.

Signed:

Dated:

PART B – For completion by Company Secretary or Managing Director

I confirm that I am not aware of any circumstances pursuant to which the employee named above is or is likely to be in possession of unpublished information which, if generally available, might materially affect the price or value of NetComm securities.

Name:

Title:

Signature:

Dated:

(Signing of form is valid for 2 weeks unless otherwise specified.)