



UGL Limited
ABN: 85 009 180 287
Level 10
40 Miller Street
North Sydney NSW 2060
Australia
Telephone: +61 2 9492 8888
Facsimile: +61 2 9492 8844
www.ugllimited.com

TO: ASX Company Announcements

FROM: Dennis Mentzines **DATE:** 24 December 2010

PAGES : 9 (inclusive)

SUBJECT: **Securities Trading Policy**

In accordance with Listing Rule 12.9 attached is a copy of the Company's securities trading policy.

Yours faithfully


Dennis Mentzines
Company Secretary

Please Note:

This facsimile transmission is confidential and intended solely for the addressee. If you are not the intended addressee, you must not use, disclose or copy this transmission and you are requested immediately to notify us and return the original message to us at the postal address shown.

UGL LIMITED POLICY

04.02.06 TRADING IN SECURITIES

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Purpose

It is the Company's policy that, under all circumstances, its directors, officers and employees comply with the letter and intention of the insider trading laws when dealing in securities.

Scope

Trading In Securities details the terms and conditions for trading in the securities of UGL Limited and other companies with which UGL may be dealing (including UGL's customers, contractors or business partners).

Group Policy

No trading in UGL Limited securities is permitted during Blackout Periods or during a General Halt of Trading as detailed in this policy. Trading in UGL Limited securities is permitted at other times provided that directors, officers and employees do not contravene the insider trading laws and comply with this policy. Directors, officers and employees must not trade in securities of other companies with which UGL may be dealing if it would contravene the insider trading laws.

Definitions

In this Policy:

Company means UGL Limited.

UGL means the Company and its subsidiaries, either collectively or individually, as the context requires.

Application

This Policy applies to all directors, officers, employees, contractors and consultants of UGL.

Implementation

Procedure applicable to all personnel

General Insider Trading Laws Apply

Insider trading is dealing or encouraging others to deal or tipping another person to deal in securities where you have "Inside Information". Inside Information is price sensitive information which you know, or ought reasonably know, is:

- not generally available; and
- if it were generally available, it might have a material effect on the price or value of the securities.

A director, officer, employee, contractor or consultant of UGL may not, either directly or indirectly (such as directing or requesting another person to do so) buy, sell or subscribe for securities in the Company, nor may they advise, procure or encourage any other person to buy, sell or subscribe for securities in the Company at any time while they are in possession of price sensitive information about UGL which is not generally available. This prohibition includes trading on the ASX and off market transactions.

The Company has established this policy to ensure compliance with insider trading laws. If you believe that, although technically permitted by this policy, any trading may contravene insider trading laws, you should seek clarification from the Company Secretary.

If you are in any doubt as to whether you have Inside Information or what steps you should take to comply with this policy, you should contact the Company Secretary, and you should not trade until the issue has been resolved. The Company Secretary will consult with the Managing Director and will treat all proposed dealings with the utmost confidentiality. The Managing Director will seek to be as flexible as possible within the Company's trading policy and the limits of the insider trading laws. However, the Managing Director's decision as advised by the Company Secretary will be final.

Dealing in Other Company Securities

The insider trading laws also extend to dealings in securities of other companies with which UGL may be dealing (including UGL's customers, contractors or business partners).

If you are aware of Inside Information about another company, you should not, either directly or indirectly (such as directing or requesting another person to do so) buy, sell or subscribe for securities, nor may you advise, procure or encourage any other person to buy, sell or subscribe for securities of that company. This prohibition includes trading on the ASX and off market transactions

For example, if you are aware that UGL is close to or negotiating a material contract with company X, you should not buy shares in either UGL or company X.

General Halt of Trading

The Managing Director or Company Secretary may at any time halt trading in the Company's securities by directors, officers, senior management, employees or all of them until notice that the halt on trading has been withdrawn (eg due to a pending announcement). Where the Managing Director or Company Secretary has imposed a halt on trading in the Company's securities, an advice will be sent to the directors, officers, senior management and employees to whom the halt applies. You can confirm whether a halt is in place, which applies to you, by contacting the Company Secretary.

Speculative Trading

Directors, officers and employees are prohibited from engaging in short term speculative trading of the Company's securities.

Monitoring Procedures

If requested by the Company Secretary, you must provide details of any securities in the Company in which you have an interest, whether or not the securities are registered in your name.

Penalties

Failure to comply with this policy could lead to civil and criminal liabilities for you personally and for the Company. It could also have a damaging impact on the perception of the Company within the investment community. Compliance with this policy forms part of your contract of employment and any breach will be treated very seriously and may result in your dismissal.

Procedure applicable to certain personnel only

Blackout Periods and Restrictions on Trading for Certain Personnel

1. Directors, officers and senior management; and
2. employees located at Head Office,

must not trade in Company securities during:

- the period commencing on 1 January of each year and ending twenty four hours after the release of the half year results for that financial year; and
- the period commencing on 1 July of each year and ending twenty four hours after the release of the annual results for the previous financial year,

unless prior written clearance has been obtained. Written clearance to deal in a Blackout Period may be given if the relevant employee is in severe financial difficulty or there are other exceptional circumstances. Clearance may be given for such a person to sell (but not to purchase) UGL securities. The determination of whether the person in question is in severe financial difficulty or whether there are other exceptional circumstances will be made by the Managing Director in the case of officers, senior management and employees located at Head Office, the Chairman in the case of directors (other than the Chairman) and the Deputy Chairman in the case of the Chairman.

Where written clearance is required to trade in Company securities:

- in the case of officers, senior management and employees located at Head Office, the clearance must be evidenced in writing initialled by the Managing Director or the Company Secretary or by email from the Managing Director or the Company Secretary
- in the case of directors (other than the Chairman), the clearance must be evidenced in writing initialled by the Chairman or by email from the Chairman; and
- in the case of the Chairman, the clearance must be evidenced in writing initialled by the Deputy Chairman or by email from the Deputy Chairman,

and must be obtained before the trade is instigated. Written clearance is effective for two business days after it is given. See Appendix 1 for further details.

Notification of Intention to Trade Securities

Outside of Blackout Periods, any:

1. director, officer or senior manager; or
2. employee located at Head Office,

intending to trade Company securities must give the Company Secretary at least one day's prior written notice of intention to trade and receive prior approval as detailed below. Directors of the Company must also notify the Chairman (or, in the case of the Chairman, the Deputy Chairman) of an intention to trade. The procedure for seeking approval is set out in Appendix 2.

Hedging

The Board has adopted the following policy in relation to protection arrangements entered into by Directors, officers and senior managers:

- participants in the options plans are prohibited from hedging their unvested options;
- employees (including executive directors) are prohibited from hedging their unvested shares but are not prohibited from hedging shares which have vested; and
- non-executive directors are prohibited from hedging vested and unvested shares at all times.

Margin Loans

Directors, officers and senior managers are prohibited from entering into margin loans or similar arrangements if the loan or other arrangement is secured by (amongst other things) securities in the Company which account for at least 1% of the total issued capital of the Company.

Where a margin loan or similar arrangement is in place a director, officer or senior manager must not provide any inside information to the lender.

Exclusions/Exceptions

This policy does not apply to:

- the exercise of options (but trading of any securities issued following exercise of the options is subject to the terms of this policy);
- participation in any dividend reinvestment plan adopted by the Company at any time.;
- participation in any employee share plan adopted by the Company at any time (including the non-executive director Retirement Plan). Non-discretionary trading plans such as the non-executive director Retirement Plan will not be cancelled during a Blackout Period or General Halt of Trading other than in exceptional circumstances;
- trades where there is no effective change in the beneficial owner (such as a transfer to a family trust or to a self-managed superannuation fund);
- a disposal of shares that is the result of a secured lender exercising their rights (provided that this policy was complied with when the arrangement was entered into);
- participation in corporate actions such as takeover offers and pro rata issues.

Promulgation

This guideline is to be promulgated on the UGL intranet site and accessible through each UGL Business's Business Management System. In addition, other communication methods may be used to ensure that all staff are informed and educated on this policy and guideline. <http://intranet.unitedgroupltd.com/uconnect/>

Responsibilities

Duty not to contravene

It is the responsibility of each director, officer and employee to ensure that he or she does not contravene insider trading laws and complies with the requirements of this Policy.

Review

It is the responsibility of the Company's Chief Legal Officer and Company Secretary to review this Policy on a regular basis.

Further Information

Not Applicable

Effective Date

October 2010

Appendices

Appendix 1 – Procedure for Seeking Written Clearance for Trading in Company Securities During a Blackout Period
 Appendix 2 – Procedure for Seeking Written Clearance for Trading in Company Securities Outside a Blackout Period

Supporting Documents

Not Applicable

Owner

Chief Legal Officer and Company Secretary

Approval

Authorised for implementation.



Richard Leupen
 Managing Director
 UGL Limited

October 2010

Version Number

1.0

Issue Date

October 2010

Nature of Amendment

Revised for amendments to ASX Listing Rules on Trading Policies



Appendix 1 – Procedure for Seeking Written Clearance for Trading in Company Securities During a Blackout Period

1. Director, officer, senior manager or employee located at Head Office sends an email to the Company Secretary (companysecretary@ugllimited.com), Chairman or Deputy Chairman providing the following information:
 - a. The number of securities subject to request (i.e. number of shares for sale);
 - b. Confirm you are not in possession of any unpublished information which, if generally available, might materially affect the price or value of the shares; and
 - c. Describe the circumstances requiring the sale (i.e. provide details of severe financial difficulty or other exceptional circumstances) and why the sale is the most reasonable course of action available. .
2. The Company Secretary (in consultation with the Managing Director, Chairman or Deputy Chairman), Chairman or Deputy Chairman will advise whether your request is successful by return email or otherwise in writing. The clearance will be effective for two business days after it is given (but you must not proceed with the sale if you come into possession of inside information before the sale occurs)..
3. Director, officer, senior manager or employee located at Head Office confirms that the transaction has been completed within two business days of completion.

Appendix 2 – Procedure for Seeking Written Clearance for Trading in Company Securities Outside a Blackout Period

1. Director, officer, senior manager or employee located at Head Office sends an email to the Company Secretary (companysecretary@ugllimited.com) providing the following information:
 - a. The number of securities subject to request (i.e. number of shares for sale or purchase);
 - b. The timing of the transaction (i.e. within what period will the transaction be completed); and
 - c. Confirm you are not in possession of any unpublished information which, if generally available, might materially affect the price or value of the shares.
2. The Company Secretary (in consultation with the Managing Director, Chairman or Deputy Chairman) will advise whether your request is successful by return email or otherwise in writing.
3. Director, officer, senior manager or employee located at Head Office confirms that the transaction has been completed within two business days of completion.