



## SUNDANCE ENERGY INC.

### POLICY ON INSIDER TRADING

Adopted as of November 26, 2019

The Board of Directors (“Board”) of Sundance Energy Inc. (together with its subsidiaries, the “Company”) has adopted this policy on insider trading (“Policy”).

In the course of performing your duties for the Company, you may, at times, have information about the Company or another publicly traded company that the Company does business with that is not generally available to the public. Because of your relationship with the Company, if you are aware of material nonpublic information about the Company or another company that the Company does business with, federal and state securities laws prohibit you from trading in the Company’s or such other company’s securities or providing material nonpublic information to others who may trade on the basis of that information.

This Policy seeks to explain some of your obligations to the Company and under the law, to prevent actual, or the appearance of, insider trading and to protect the Company’s reputation for integrity and ethical conduct. This Policy applies to all directors, officers and employees of the Company, as well as their family members or other persons with whom they have a relationship who are subject to this Policy and entities under their influence or control, as described below. The Company may also determine that other persons should be subject to this Policy, such as contractors or consultants who have access to material nonpublic information.

Additional information about this Policy may be found in *Appendix 1*, which contains responses to frequently asked questions. Please read this Policy and its Appendices in their entirety. You will be required to certify to the Company that you have read and understood, and agree to comply with, this Policy by signing and returning to the Company the form of certification that is attached as *Appendix 2*.

**Your compliance with this Policy is of the highest importance for you and the Company. If you have any questions about this Policy, including its application to any proposed transaction, you may obtain additional guidance from Cathy L. Anderson, the Company’s Chief Compliance Officer (the “Compliance Officer”).**

#### **Persons subject to this Policy**

This Policy applies to you, any family member and any other person who has a relationship with you (legal, personal or otherwise) that might reasonably result in that person’s transactions being attributable to you. This includes any legal entities that are influenced or controlled by you or other persons who have a relationship with you and are subject to this Policy, such as corporations, partnerships or trusts. For purposes of this Policy, your “family members” consist of people within your family who live with you, or are financially dependent on you, and also include other family members whose transactions in securities are directed by you or are subject to your influence or control. See *Appendix 1* for more information about whose transactions may be attributable to you.

If you are a former, temporary or retired *director, executive officer or Designated Employee* (described below), this Policy will continue to apply to you and other persons who have a relationship with you who are subject to this Policy until the later of (1) the third full trading day following the public release of earnings for the fiscal quarter in which you leave the Company or (2) the third full trading day after any material nonpublic information known to you has become public or is no longer material. For *all other* former, temporary, or retired personnel and other persons who have a relationship with any such persons

who are subject to this Policy, this Policy will continue to apply until the third full trading day after any material nonpublic information known to you has become public or is no longer material.

Transactions by your family members and other persons subject to this Policy who have a relationship with you should be treated for the purposes of this Policy and applicable securities laws as if they were for your own account. Accordingly, all references to you with regard to all trading restrictions and pre-clearance procedures in this Policy also apply to your family members or other persons with whom you have a relationship who are subject to this Policy. You are personally responsible for the actions of your family members or other persons with whom you have a relationship who are subject to this Policy. If you or they violate this Policy, then the Company may take disciplinary action against you, including dismissal or removal for cause.

You should consider yourself a “Designated Employee” for the purposes of this Policy, if you have been informed by any of the Compliance Officer that you have been designated as such. The Compliance Officer may alter the list of Designated Employees at any time, in which case one of the Compliance Officer will provide verbal or written notice to any individuals to be added or removed from this list.

### **Trading restrictions and guidelines**

#### *1. No transactions while in possession of material nonpublic information*

While in the possession of information that is “material” and “nonpublic” as defined in *Appendix 1*, you may *not* buy or sell the Company’s securities or engage in any other action to take advantage of, or pass on to others, material nonpublic information. The Company’s securities include the Company’s common stock, options to purchase common stock, or any other type of securities that the Company may issue, including, but not limited to, preferred stock, notes, bonds, convertible debentures and warrants, as well as derivative securities whether or not issued by the Company. As described below, you are also prohibited from buying or selling the securities of any other publicly traded company while in possession of information that is material and nonpublic. This Policy applies both to securities purchases (to make a profit based on good news) and securities sales (to avoid a loss based on bad news), regardless of how or from whom the material nonpublic information was obtained.

There are no exceptions to this Policy, except as specifically noted below. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure), or small transactions, are not excepted from this Policy. The securities laws do not recognize any mitigating circumstances, and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company’s reputation for adhering to the highest standards of conduct. This means that you may have to forgo a proposed transaction in the Company’s or another company’s securities even if you planned to make the transaction before learning the material nonpublic information and even though you believe that waiting may cause you to suffer an economic loss or not realize anticipated profit.

If you have an unexpected and urgent need to sell the Company’s securities in order to generate cash outside of a window period, you may request that a Compliance Officer consider granting you a hardship exception. This type of exception will only be granted if the Compliance Officer concludes that the Company’s earnings information for the applicable quarter does not constitute material nonpublic information and there are no other reasons to prohibit trading.

#### *2. Policy applies to information relating to other public companies*

This Policy applies to material nonpublic information relating to other publicly traded companies, including the Company’s vendors, suppliers and customers, when that information is obtained in the course of employment with the Company or the performance of services on the Company’s behalf. You should treat material nonpublic information about the Company’s business partners with the same care required with respect to information related directly to the Company.

### *3. Blackout periods for any or all personnel*

The Compliance Officer may issue instructions from time to time advising some or all personnel that they may not buy or sell the Company's securities for certain periods, or that the Company's securities may not be traded without prior approval. Due to the confidential nature of the events that may trigger these sorts of blackout periods, the Compliance Officer may find it necessary to inform affected individuals of a blackout period without disclosing the reason. If you are made aware of such a blackout period, do not disclose its existence to anyone. Even if no blackout period is in effect, keep in mind that you may not trade in the Company's securities or those of another publicly traded company if you are aware of material nonpublic information about the Company or any such other company, respectively.

### *4. Trading windows for directors, executive officers, and Designated Employees*

In addition to the above, if you are a director, an executive officer, or another individual designated by the Company as a Designated Employee, you can trade in the Company's securities only during the period that starts on the third full trading day following the release of the Company's annual and quarterly earnings **and** continuing through the fifteenth day of the final month of each fiscal quarter, and only so long as you do not have any material nonpublic information about us. You will be notified by the Company if you have been designated as a Designated Employee. Because directors, executive officers and Designated Employees are especially likely to receive regular nonpublic information regarding the Company's operations, limiting trading to this "window period" helps ensure that trading is not based on material information that is not available to the public. Before trading in the Company's securities during the window period, directors executive officers, and Designated Employees must also comply with the pre-clearance procedures discussed below.

### *5. Pre-clearance procedures for directors, executive officers and Designated Employees*

If you are a director, an executive officer or a Designated Employee, you may not buy, sell, or engage in any other transaction in the Company's securities without first obtaining email pre-clearance from a Compliance Officer to confirm that the window period is open. This pre-clearance requirement is designed as a means of enforcing the policies specified above. Specifically:

- Any proposed transaction (unless otherwise specified) should be submitted to the Compliance Officer at least two full trading days in advance of the proposed transaction.
- Before any trade, a Compliance Officer must confirm to you by email that the window period is open and will remain open for the period during which the trade is expected to occur.
- Any confirmation must not have been revoked by a Compliance Officer.
- The Compliance Officer shall record the date each request is received and the date and time each request is approved or disapproved. Unless revoked, a grant of permission will normally remain valid until the close of trading two business days following the day on which it was granted. If the transaction does not occur during the two-day period, pre-clearance of the transaction must be re-requested.
- The Compliance Officer are under no obligation to approve a transaction submitted for pre-clearance and may determine not to permit the transaction. If you seek pre-clearance and permission to engage in the transaction is denied, you should refrain from initiating any transaction in the Company's securities, and should not inform any other person of the restriction.
- You are responsible for ensuring that you do not have material nonpublic information about the Company before engaging in a transaction and that you comply with any and all other legal obligations. Therefore, when a request for pre-clearance is made, you should carefully consider whether you are aware of any material nonpublic information about the Company and should describe fully those circumstances to the Compliance Officer. If you are subject to the requirements

of Section 16 of the Securities Exchange Act of 1934, as amended (“Exchange Act”), you should also consider whether you have effected any non-exempt transactions within the past six months or otherwise that must be reported on an appropriate Form 4 or Form 5. In addition, you should be prepared to comply with Rule 144 under the Securities Act of 1933, as amended, and requirements to file Form 144.

- A Compliance Officer may not trade in the Company’s securities unless another Compliance Officer has approved the trade(s) in accordance with this Policy’s procedures.

If you are considering entering into a 10b5-1 plan, refer to Section 8 below for more information.

A Compliance Officer’s approval of a transaction submitted for pre-clearance does not constitute legal advice, does not constitute confirmation that you do not possess material nonpublic information and does not relieve you of any of your legal obligations.

#### *6. Prohibited and limited transactions*

Certain types of transactions increase the Company’s exposure to legal risks and may create the appearance of improper or inappropriate conduct. You may not engage in any of the following transactions, even if you do not possess material nonpublic information:

- *Hedging transactions.* The Company prohibits you from engaging in hedging and monetization transactions. Hedging and monetization transactions can be accomplished through the use of various financial instruments, including prepaid variable forwards, equity swaps, collars and exchange funds. These transactions may permit continued ownership of the Company’s securities obtained through employee benefit plans or otherwise without the full risks and rewards of ownership. When that occurs, a person entering into this type of transaction may no longer have the same objectives as the Company’s other stockholders.
- *Short sales of stock.* “Short” sales of stock are transactions where you borrow stock, sell it and then buy stock at a later date to replace the borrowed shares. Short sales generally evidence an expectation on the part of the seller that the securities will decline in value and therefore have the potential to signal to the market that the seller lacks confidence in the Company’s prospects. In addition, short sales may reduce a seller’s incentive to seek to improve the Company’s performance. For these reasons, short sales of the Company’s securities are prohibited. In addition, Section 16(c) of the Exchange Act prohibits officers and directors from engaging in short sales. These also include hedging or monetization transactions (such as zero-cost collars and forward sale contracts) that involve the establishment of a short position.
- *Publicly traded options.* A put is an option or right to sell a specific stock at a specific price before a set date, and a call is an option or right to buy a specific stock at a specific price before a set date. Generally, call options are purchased when one believes that the price of a stock will rise, whereas put options are purchased when one believes that the price of a stock will fall. Because publicly traded options have a relatively short term, transactions in options may create the appearance that trading is based on material nonpublic information. Further, such transactions may indicate a preference for short-term performance at the expense of the Company’s long-term objectives. Accordingly, any transactions in put options, call options or other derivative securities are prohibited by this Policy.
- *Margin accounts and pledged securities.* Securities held in a margin account or pledged as collateral can be sold without your consent in certain circumstances. This means that a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material nonpublic information. Consequently, any person wishing to enter into such an arrangement must first obtain pre-clearance from a Compliance Officer.
- *Standing and limit orders.* The Company discourages placing standing or limit orders on the

Company's securities. Standing and limit orders are orders placed with a broker to sell or purchase stock at a specified price. Similar to the use of margin accounts, these transactions create heightened risks for insider trading violations. Because there is no control over the timing of purchases or sales that result from standing instructions to a broker, a transaction could be executed when persons subject to this Policy are in possession of material nonpublic information. Unless standing and limit orders are submitted under approved Rule 10b5-1 plans, discussed below, if you determine that you must use a standing order or limit order, the order should be limited to short duration and should otherwise comply with the trading restrictions and procedures outlined in this Policy.

If you have a managed account (where another person has been given discretion or authority to trade without your prior approval), you should advise your broker or investment adviser not to trade in the Company's securities at any time and minimize trading in securities of companies in the Company's industry. This restriction does not apply to investments in publicly available mutual funds.

#### *7. Special types of permitted transactions*

There are limited situations in which you may buy or sell the Company's securities without restriction under this Policy. Unless otherwise noted below, you may:

- allow for the vesting of restricted stock or restricted stock units;
- exercise a tax withholding right with respect to restricted stock pursuant to which you elect to have the Company withhold shares of stock to satisfy tax withholding requirements upon vesting (but this does *not* include market sales of stock);
- exercise stock options that have been granted to you by the Company or under one of the Company's stock option plans, including any net exercise of the option pursuant to which you have elected to have the Company withhold shares of stock to satisfy tax withholding requirements or the exercise price of the option (but this does *not* include broker-assisted cashless exercises or market sales of the purchased shares);
- buy or sell the Company's securities pursuant to a Rule 10b5-1 trading program, as described in Section 8 below;
- make *bona fide* gifts; however, if you (1) have reason to believe that the recipient intends to sell the Company's securities immediately or while you are aware of material nonpublic information, or (2) are subject to the pre-clearance procedures specified in Section 5 above and the sale by the recipient of the Company's securities occurs during a blackout period, then the transaction is subject to this Policy;
- make purchases of the Company's securities through your participation in the Company's 401(k) plan, provided the purchases result from your periodic plan contributions pursuant to payroll deductions. This Policy *does* apply, however, to certain elections you may make under the 401(k) plan, including elections: (1) to change the percentage of your periodic contributions that will be allocated to the Company stock fund; (2) to make a transfer of an existing account balance to or from the Company stock fund; (3) to borrow money against your 401(k) plan account to the extent the loan requires the sale of any securities underlying your Company stock fund balance; and (4) to pre-pay a plan loan if the pre-payment will result in allocation of loan proceeds to the Company stock fund;

- (1) purchase the Company’s securities in the Company’s employee stock purchase plan through your periodic contributions to the plan in accordance with the election you made at enrollment; and (2) purchase the Company’s securities through lump sum contributions to the plan, provided that you elected to participate by lump sum payment at the beginning of the applicable enrollment period. This Policy *does* apply, however, to your election to participate in the plan for any enrollment period and to your sales of Company securities purchased pursuant to the plan;
- purchase the Company’s securities under the Company’s dividend reinvestment plan resulting from your reinvestment of dividends paid on the Company’s securities. Voluntary purchases of the Company’s securities resulting from additional contributions you make to the dividend reinvestment plan, and to your election to participate in the plan or increase your level of participation in the plan, are subject to this Policy. This Policy also applies to your sale of any of the Company’s securities purchased pursuant to the plan; and
- engage in any other purchase of Company securities from the Company or sale of Company securities to the Company.

### **Additional guidelines and related requirements**

#### *8. Rule 10b5-1 trading plans*

Rule 10b5-1 under the Exchange Act provides a defense from insider trading liability under Rule 10b-5. If persons subject to this Policy wish to rely on this defense, they must enter into an approved Rule 10b5-1 trading plan as specified in **Appendix 3** to this Policy and meet certain conditions specified in the Rule. See **Appendix 3** for more information.

#### *9. Reports of purchases and sales*

If you are a director, an executive officer, or another reporting person under Section 16 of the Exchange Act, (1) keep in mind the various restrictions on securities trading imposed under Section 16 of the Exchange Act and the applicable reporting requirements of the SEC, and (2) you must immediately report to a Compliance Officer *all* transactions made in the Company’s securities by you, any family members and any entities that you control subject to this Policy. The report should be in the form of **Appendix 4** to this Policy. The Company requires same-day reporting due to SEC requirements that certain insider reports be filed with the SEC by the second day after the date on which a reportable transaction occurs.

#### *10. Reports of unauthorized trading or disclosure*

If you have supervisory authority over any of the Company’s personnel, you must immediately report to a Compliance Officer either any trading in the Company’s securities by the Company’s personnel or any disclosure of material nonpublic information by the Company’s personnel, in either case which you have reason to believe may violate this Policy, the or applicable securities laws. Because the SEC can seek civil penalties against the Company, directors and supervisory personnel for failing to take appropriate steps to prevent illegal trading, the Company should be made aware of any suspected violations as early as possible.

### **Disclosure restrictions**

#### *11. No tipping*

You must not communicate material nonpublic information about the Company or other publicly traded companies, including the Company’s vendors, suppliers and customers, when that information is obtained in the course of employment with the Company or the performance of services on the Company’s behalf, to other persons (a practice known as “tipping”) before its public disclosure and dissemination by the Company or such other respective company. Therefore, you should exercise care when speaking with other personnel who do not have a “need to know” and when communicating with family, friends and others who are not associated with us, even if they are subject to this Policy. To avoid even the appearance of impropriety, please refrain from discussing the Company’s business or prospects or making

recommendations about buying or selling the Company's securities or the securities of other companies with which the Company may have a relationship. This concept of unlawful tipping includes passing on information to friends, family members or acquaintances under circumstances that suggest that you were trying to help them make a profit or avoid a loss.

*12. Internet message boards, chat rooms and discussion group*

In an effort to prevent unauthorized disclosure of the Company's information, you are prohibited from posting or responding to any posting on or in Internet message boards, chat rooms, discussion groups, or other publicly accessible forums, with respect to us. Keep in mind that any inquiries about the Company should be directed to the Company's Investor Relations personnel.

## **Appendix 1: Questions and answers related to this Policy**

### **Why did the Company adopt this Policy?**

The Board has adopted this Policy to promote compliance with federal and state securities laws that prohibit certain persons who are aware of material nonpublic information about a company from (1) trading in securities of that company, or (2) providing material nonpublic information to other persons who may trade on the basis of that information.

### **Who administers this Policy?**

Cathy L. Anderson will serve as the Compliance Officer for the purposes of administering this Policy. All determinations and interpretations by a Compliance Officer are final and not subject to further review. A Compliance Officer's approval of a transaction submitted for pre-clearance does not constitute legal advice, does not constitute confirmation that you do not possess material nonpublic information and does not relieve you of any of your legal obligations.

### **What information is "material"?**

Information is considered material if a reasonable investor would consider that information important in making a decision to buy, hold or sell securities. Materiality involves a relatively low threshold. Any information that could be expected to affect the Company's (or, in the case of information about another company, such other company's) stock price, whether it is positive or negative, should be considered material. There is no bright-line standard for assessing materiality; rather, materiality is based on an assessment of all of the facts and circumstances, and is often evaluated by enforcement authorities with the benefit of hindsight. While it is not possible to define all categories of material information, some examples of material information are:

- Projections of future earnings or losses, or other earnings guidance;
- Changes to previously announced earnings guidance, or the decision to suspend earnings guidance;
- A pending or proposed merger, acquisition or tender offer;
- A pending or proposed acquisition or disposition of a significant asset;
- A pending or proposed joint venture;
- A company restructuring;
- Significant related party transactions;
- A change in dividend policy, the declaration of a stock split, or an offering of additional securities;
- Bank borrowings or other financing transactions out of the ordinary course;
- The establishment of a repurchase program for the Company's securities;
- A change in the Company's pricing or cost structure;
- Major marketing changes;
- A change in management;
- A change in auditor or notification that the auditor's reports may no longer be relied upon;
- Development (or release) of a significant new product, process or service;
- Pending or threatened significant litigation, or the resolution of such litigation;
- A cybersecurity breach or incident;

- Impending bankruptcy or the existence of severe liquidity problems;
- The gain or loss of a significant customer or supplier;
- The imposition of a ban on trading in the Company's securities or the securities of another company;
- Pending regulatory action;
- The public or private sale of additional securities; and
- A major license or other contract.

Unfortunately, no one can define in advance exactly what constitutes material information, since there are many gray areas and varying circumstances. Therefore, any trading is risky. When doubt exists, you should presume that the information is material and consult with the Compliance Officer prior to trading.

### **What information is “nonpublic”?**

Information that has not been disclosed to the public is generally considered to be nonpublic information. In order to establish that the information has been disclosed to the public, it may be necessary to demonstrate that the information has been widely disseminated. Information generally would be considered widely disseminated if it has been disclosed through the Dow Jones “broad tape,” newswire services, a broadcast on widely available radio or television programs, published in a widely available newspaper, magazine or news website, or disclosed in documents filed with the SEC that are available on the SEC's website. By contrast, information would likely not be considered widely disseminated if it is available only to the Company's employees, or if it is only available to a select group of analysts, brokers and institutional investors. Once information is widely disseminated, it is still necessary to afford the investing public with sufficient time to absorb the information.

As a rule of thumb, information is considered nonpublic until at least two full trading days have passed after the Company releases the information to a national wire service or file it with the SEC. For example, if an announcement is made on a Monday, trading should not occur until Thursday. The Compliance Officer will know when information has been released to the public.

If you are in possession of material nonpublic information, you may trade only when you are certain that official announcements of material information have been sufficiently publicized so that the public has had the opportunity to evaluate it. Keep in mind that insider trading is not made permissible merely because material information is reflected in rumors or other unofficial statements in the press or marketplace. You should not attempt to “beat the market” by trading simultaneously with, or shortly after, the official release of material nonpublic information.

### **What if I can't tell whether information is material or nonpublic?**

If you are unsure whether information of which you are aware is material or nonpublic, you should consult with the Compliance Officer prior to trading. If you are a director, an executive officer or a Designated Employee, you must always consult with a Compliance Officer before trading, as outlined in this Policy.

### **Whose transactions may be attributable to me?**

As discussed elsewhere herein, this Policy applies to you, any family member and any other person who has a relationship with you (legal, personal or otherwise) that might reasonably result in that person's transactions being attributable to you. This includes any legal entities that are influenced or controlled by you or other persons who have a relationship with you and are subject to this Policy, such as corporations, partnerships or trusts. Your “family members” consist of people within your family who live with you, or are financially dependent on you, and also include other family members whose transactions in securities are directed by you or are subject to your influence or control. You may also be responsible for transactions by other persons with whom you share a residence or who consult with you before they trade in securities

where those persons' transactions might reasonably be attributable to you. In all cases, you must ensure that persons whose trading activities you directly or indirectly influence, or those whose trading activities would reasonably be perceived by others to be under your influence, comply with the terms of this Policy.

### **What are the reasons for maintaining confidentiality?**

Your failure to maintain the confidentiality of material nonpublic information could greatly harm the Company's ability to conduct business. In addition, you could be exposed to significant civil and criminal penalties and legal action.

US federal securities laws strictly prohibit any person who obtains material inside information and who has a duty not to disclose it from using the information in connection with the purchase and sale of securities. It does not matter how that information has been obtained, whether in the course of employment or Board service, from friends, relatives, acquaintances, or strangers, or from overhearing the conversations of others. Congress enacted this prohibition because the integrity of the securities markets would be seriously undermined if the "deck were stacked" against persons who are not privy to this information.

### **What are some of the consequences of violating this Policy?**

Federal and state laws prohibit the purchase or sale of securities while aware of material nonpublic information, or the disclosure of material nonpublic information to others who then trade in the Company's securities. The SEC, US Attorneys and state and foreign enforcement authorities vigorously pursue insider trading violations. Punishment for insider trading violations is severe and could include significant fines and imprisonment.

Individuals also may be prohibited from serving as directors or officers of the Company or any other public company. Keep in mind that there are no limits on the size of a transaction that will trigger insider trading liability; relatively small trades have more recently occasioned SEC investigations and lawsuits.

The federal securities laws also impose potential liability on companies and other "controlling persons" who fail to take appropriate steps to prevent illegal trading. Directors, officers and certain managerial personnel could become controlling persons subject to liability if they knew of, or recklessly disregarded, a likely insider trading violation by an employee or other personnel under their control.

In addition to the possible imposition of civil damages and criminal penalties on violators and their controlling persons, any appearance of impropriety could not only damage the Company's reputation for integrity and ethical conduct but also impair investor confidence in us. For this reason, if you violate this Policy, then the Company may take disciplinary action against you, including dismissal or removal for cause. Thus, even if the SEC does not prosecute a case, involvement in an investigation (by the SEC or us) can tarnish your reputation and damage your career.

### **What measures are appropriate to safeguard material information?**

So long as material information relating to the Company or the Company's business is unavailable to the general public, it must be kept in strict confidence. Accordingly, you should discuss this information only with persons who have a "need to know;" it should be confined to as small a group as possible, and it should be disclosed only in a setting in which confidentiality can be maintained. Please exercise utmost care and circumspection at all times and limit conversations in public places (such as elevators, restaurants and airplanes) to topics that do not involve sensitive or confidential information. In addition, all emails containing sensitive or confidential information should be password protected or otherwise secured before being sent, and consideration should be given to making these emails non-copyable and non-forwardable.

In order to protect the Company's confidences to the maximum extent possible, no individuals other than specifically authorized personnel may release material information to the public or respond to inquiries about material information from the media, analysts, or others.

## Appendix 2: Certification

I certify to Sundance Energy Inc. that:

- I have read and understand the Policy on insider trading, as adopted on November 26, 2019;
- I agree to comply with the Policy, including any amendments of which I receive notice at any time or from time to time during the duration of my employment or other relationship with the Company;
- I have complied with the Policy for as long as it has applied to me; and
- I understand that any violation of this Policy by me, my family members or any other persons who are subject to this Policy because of their relationships with me may result in disciplinary action against me, including the termination of my employment or other relationship with the Company and its subsidiaries, at the option of the Company.

Signature: \_\_\_\_\_

Print name: \_\_\_\_\_

Date: \_\_\_\_\_

### **Appendix 3: Rule 10b5-1 trading plans**

Rule 10b5-1 under the Exchange Act can protect officers, directors and other individuals from insider trading liability for transactions under a previously established contract, plan or instruction. This rule presents an opportunity for insiders to establish arrangements to sell (or purchase) the Company's securities without the sometimes arbitrary restrictions imposed by closed trading periods - even when material nonpublic information exists. The arrangements may include blind trusts, other trusts, pre-scheduled stock option exercises and sales, pre-arranged trading instructions, and other brokerage and third-party arrangements.

The rule only provides an "affirmative defense" (which must be proven) if there is an insider trading lawsuit. It does not prevent anyone from bringing a lawsuit, nor does it prevent the media from writing about the sales. The program must be documented, bona fide and previously established (at a time when the insider did not possess inside information) and must specify the price, amount and date of trades or provide a formula or mechanism to be followed.

In order to reduce the risk of litigation and adverse press, and to preserve the Company's reputation, if you would like to use such a trading program:

- a Compliance Officer must pre-approve your program (which would include any plan, arrangement, or trading instructions relating to the Company's securities, such as blind trusts, discretionary accounts with banks or brokers, limit orders, hedging strategies, and other arrangements) at least five full trading days prior to entry into or modification of the plan;
- you may not establish, modify or terminate the program during any closed trading periods or when you possess material nonpublic information; and
- if a 10b5-1 plan is terminated, you must wait at least sixty days before trading outside of the plan.

You must still adhere to these procedures even where, for example, you are assured that the trading program that a brokerage firm or bank may be suggesting has been approved by its attorneys.

Establishing a trading program under Rule 10b5-1 is likely to implicate other laws, such as Section 16 of the Exchange Act and Rule 144 under the Securities Act of 1933, as amended. Under Section 16 generally, a report on Form 4 must be filed with the SEC by the second business day following the execution date of a transaction under a Rule 10b5-1 trading program. Recognizing that you may not know when a trade will be executed pursuant to a Rule 10b5-1 trading program, the SEC has provided a limited exception to this two-day deadline, with which you should be familiar if you establish such a program.

A transaction under a Rule 10b5-1 trading program could also be subject to short-swing profit recovery. Additionally, sales of the Company's securities under Rule 144 may require the filing of a Form 144 with the SEC, which must be properly tailored to address sales under such a program. Therefore, if you establish such a program, the Company will need to establish a procedure with whoever is handling your transactions to ensure:

- timely filings of a Form 4 after a transaction has taken place (failure to file on time results in unwanted proxy statement disclosure of your filing violations); and
- compliance with Rule 144 at the time of any sale.

As mentioned above, Rule 10b5-1 is an SEC rule. There will be ongoing interpretations of what can and cannot be done. Needless to say, some brokers, investment bankers and advisers may approach you suggesting a variety of arrangements. You should consult your own tax and legal advisers before establishing a trading program under Rule 10b5-1.

Your notice to the Company is essential before establishing a Rule 10b5-1 trading program. If you have any questions, please contact a Compliance Officer.

**Appendix 4: Transaction report**

**Sundance Energy Inc.**

To: Compliance Officer

Subject: Transaction report for securities of Sundance Energy Inc.

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Number of shares of common stock that I held before this transaction: \_\_\_\_\_

Number and name of other Sundance Energy Inc. securities that I held before this transaction:

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On \_\_\_\_\_, these security holdings changed as follows:

Number of shares of common stock: \_\_\_\_\_ Number of stock options: \_\_\_\_\_

Date of transaction: \_\_\_\_\_ Date of transaction: \_\_\_\_\_

\_\_\_\_\_ acquired      \_\_\_\_\_ sold      \_\_\_\_\_ acquired      \_\_\_\_\_ sold  
\_\_\_\_\_ transferred      \_\_\_\_\_ other      \_\_\_\_\_ exercised      \_\_\_\_\_ other

If my acquisition or transfer was effected indirectly (for example: by or for my spouse or another family member; through an individual or entity who agreed with me to acquire or transfer the securities on my behalf; or by or for an entity of which I am a partner, director, officer, member, or 5% or greater stockholder), then, in addition to the above information, I have identified below the person through whom the transaction was effected and my relationship with that person:

Name of individual or entity: \_\_\_\_\_

Relationship: \_\_\_\_\_

I certify that the above information is accurate and complete.

Signature: \_\_\_\_\_

Print name: \_\_\_\_\_

Date: \_\_\_\_\_

(This report should be provided as soon as possible on the date of the transaction. If applicable, a Form 4 will be prepared for your signature and filing with the SEC by the second day following the date of the transaction.)