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Westfield Group

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The Manager
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SYDNEY NSW 2000

Dear Sir/Madam

**WESTFIELD GROUP (ASX: WDC)
UPDATED SECURITY TRADING POLICY**

Attached is a copy of the Westfield Group Security Trading Policy which has been updated in preparation for the introduction of Listing Rules 12.9 to 12.12 which will come into effect on 1 January 2011.

Yours faithfully
WESTFIELD GROUP

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the left.

**Simon Tuxen
Company Secretary**

Encl.

Westfield Holdings Limited ABN 66 001 671 496

Westfield Management Limited ABN 41 001 670 579 AFS Licence 230329
as responsible entity for **Westfield Trust** ABN 55 191 750 378 ARSN 090 849 746

Westfield America Management Limited ABN 66 072 780 619 AFS Licence 230324
as responsible entity for **Westfield America Trust** ABN 27 374 714 905 ARSN 092 058 449

Westfield Group

Security Trading Policy: Trading Restrictions

Westfield Holdings Limited

(ABN 66 001 671 496)

Westfield Management Limited

(ABN 41 001 670 579)

Westfield America Management Limited

(ABN 66 072 780 619)

Westfield

1. Introduction and background

As part of its corporate governance framework, the Westfield Group is committed to promoting knowledge and awareness by its employees of the various legal, regulatory and governance requirements to which the Westfield Group and its employees are subject, including prohibitions against insider trading.

In addition, in respect of Westfield Group Directors and certain employees within the Westfield Group who have been notified that security trading restrictions apply to them (Restricted Persons), Westfield imposes a series of “blackout” periods on trading throughout the year. Restricted Persons include Key Management Personnel being persons having authority and responsibility for planning, directing and controlling the activities, directly or indirectly of Westfield Group including any Director of Westfield Group.

A list of Restricted Persons is available from the Company Secretary.

2. Statement of purpose

This policy regulates dealings by Restricted Persons of Westfield Group companies in:

- stapled securities of the Westfield Group (comprising a share in Westfield Holdings Limited, a unit in Westfield Trust and a unit in Westfield America Trust);
- units in Carindale Property Trust;
- the Group's American Depositary Receipt program;
- any other equity or debt security or instrument issued from time to time by any of entity within or controlled by the Westfield Group and quoted on the ASX or other recognised exchange; and
- stapled units of Westfield Retail Trust,

(collectively Westfield Securities).

The purpose of this policy is to:

- impose “blackout” periods at various times during the year, particularly in periods leading up to an announcement of results, during which trading of Westfield Securities by Restricted Persons is prohibited; and
- set out procedures to reduce the risk of insider trading.

3. Restrictions on trading

Restricted Persons are not permitted to trade in Westfield Securities (or in options over Westfield Securities) during a “blackout period” except where the trading has been excluded under section 7 of this policy from the trading restriction. Restricted Persons are also prohibited from entering into or renewing hedging or financial instruments in respect of Westfield Securities (including, without limitation, instruments such as equity swaps, caps and collars and other hedges) during a blackout period.

Key Management Personnel are not permitted to trade in Westfield Securities at any time without the prior written clearance of the Company Secretary. Once clearance has been received from the Company Secretary and the trade in Westfield Securities has occurred, Key Management Personnel must notify the Company Secretary of the trade in Westfield Securities within three business days of the trade occurring.

Regardless of whether trading has under section 7 of this policy been excluded from the trading restriction, all Restricted Persons are prohibited from trading in any Westfield Security while in possession of unpublished price sensitive information.

Prohibitions also apply to executives entering into hedging arrangements in respect of unvested awards offered under the equity-linked incentive plans operated by the Westfield Group. These prohibitions are outlined in the Westfield Group's Hedging of Executive Awards Policy.

4. Blackout periods

A Restricted Person must not deal in any Westfield Securities during a “blackout period” unless the dealing is excluded under section 7 of this policy from the trading restriction. A blackout period is:

- the period from 1 July until 12 noon (AEST) on the next business day after the day on which the half-year or full year results (as applicable to the relevant Westfield entity) are released;
- the period from 1 January until 12 noon (AEST) on the next business day after the day on which the half-year or full year results (as applicable to the relevant Westfield entity) are released.

5. Clearance Notices in exceptional circumstances

A clearance notice may be given to a Restricted Person, who is not in possession of unpublished price sensitive information, during a blackout period if he or she is in severe financial hardship or there are other exceptional circumstances.

The determination of whether the person in question is in severe financial hardship or whether there are other exceptional circumstances can only be made by the Group General Counsel. A clearance notice may only be given in respect of the sale (but not purchase) of Westfield Securities and must be signed by a Clearance Officer. Designated Clearance Officers and their contact details are set out section 14 of this policy.

A person may be in severe financial hardship if he or she has pressing financial commitments that cannot be satisfied otherwise than by selling the relevant Westfield Securities. A tax liability would not normally constitute severe financial hardship unless the person has no other means of satisfying the liability. A circumstance may be considered exceptional if the person in question is required by a court order to transfer or sell the Westfield Securities or there is some other overriding legal or regulatory requirement for him or her to do so.

Where a request involves the consideration of exceptional circumstances justifying a sale of Westfield Securities as the only reasonable course of action, particulars of those exceptional circumstances must be provided with the relevant clearance request. Westfield may be required to notify the nature of such exceptional circumstances to the Australian Securities Exchange (ASX).

A response to a request for clearance to trade in Westfield Securities in exceptional circumstances must be considered and given as soon as reasonably practicable to the relevant Restricted Person in writing.

A Restricted Person who receives clearance to trade in Westfield Securities in exceptional circumstances must complete the trade as soon as possible and, in any event, within three business days of the clearance being received. The Restricted Person must notify the Clearance Officer once the trade is completed.

6. Extension of policy

Restrictions on trading apply to:

- the immediate family of a Restricted Person including spouses, partners and children under the age of 18;
- an entity “controlled” by a Restricted Person including family companies, family trusts, personal superannuation funds; and
- a Restricted Person acting as trustee.

Restricted Persons must also inform their brokers or financial advisers who have discretion to trade on their behalf that the Restricted Person is restricted from trading Westfield Securities under this policy.

7. Excluded trading

The following dealings are excluded from the trading restriction in section 3 but are subject to the insider trading provision stated in section 8 of this policy:

- (a) transfers of Westfield Securities that are already held into a superannuation fund or other saving scheme in which the Restricted Person is a beneficiary.
- (b) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in Westfield Securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) where a Restricted Person is a trustee, trading in the Westfield Securities by that trust provided that the Restricted Person is not a beneficiary of the trust and any decision to trade during the blackout period is taken by the other trustee(s) or by the investment managers independently of the Restricted Person;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
- (e) trading under an offer or invitation made to all or most of the security holders, such as a rights issue, a security purchase plan, a distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the board. This includes decisions relating to whether or not to take up the entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (f) a disposal by Key Management Personnel of Westfield Securities that is the result of a secured lender exercising their rights. For the avoidance of doubt, this does not extend to the exercise by a lender of rights under a margin lending arrangement;
- (g) the exercise (but not the sale of securities following the exercise) of an option or a right under an employee incentive scheme or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a blackout period and Westfield has been in an exceptionally long blackout period or has had a number of consecutive blackout periods and the Restricted Person could not reasonably have been expected to exercise it at a time when free to do so; and
- (h) trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with the procedures set out in this policy and where:
 - (i) the Restricted Person did not enter into the plan or amend the plan during the blackout period;
 - (ii) the trading plan does not permit the Restricted Person to exercise any influence or discretion over how, when, or whether to trade; and
 - (iii) this policy does not allow for the cancellation of a trading plan during a blackout period other than in exceptional circumstances;
- (i) dealings where the beneficial interest in the relevant Westfield Securities does not change.

Any Restricted Person who wishes to trade under this section must obtain the prior written clearance of a Clearance Officer before trading in Westfield Securities. Clearance will only be given if the Restricted Person has declared that they do not possess any inside information or the trading does not, in the opinion of the relevant Clearance Officer, contravene the insider trading provisions of the Corporations Act 2001.

8. Options and Rights

The blackout periods may restrict participation in, or the exercise of rights under, the Westfield Group's equity-based plans. The restrictions also apply in respect of the subsequent trading of Westfield Securities to which employees become entitled under those plans. For example, if an option was exercised in a blackout period, the issue of transfer of securities to a Restricted Employee may be deferred until after the expiration of the blackout period.

Prohibitions also apply to executives entering into hedging arrangements in respect of unvested awards offered under the equity-linked incentive plans operated by the Westfield Group. These prohibitions are outlined in the Westfield Group's Hedging of Executive Awards Policy.

9. Margin lending

Key Management Personnel may not enter into margin lending arrangements. Any such margin lending arrangements in existence as at the date of introduction of this policy must be terminated prior to 28 February 2011.

This restriction is limited to arrangements properly described as margin lending arrangements and does not extend to other types of loan arrangements which may be secured by a security interest granted in respect of Westfield Securities. Key Management Personnel should consult with the Group General Counsel if they are uncertain as to whether an arrangement is properly classified as a margin lending arrangement.

10. What is insider trading?

The Corporations Act prohibits any person (an insider) from applying for, buying or selling or entering into an agreement to do any of these things in connection with Westfield Securities where the insider possesses price sensitive or inside information.

11. Price sensitive information

11.1 What is price sensitive information?

Price-sensitive information is information which:

- is not generally available; and
- if the information was generally available, a reasonable person would expect it to have a material effect on the price or value of a Westfield Security.

Information is broadly defined in the Corporations Act and includes matters of supposition and other matters that are insufficiently definite to warrant being made known to the public. It also includes matters relating to the intentions or likely intentions of a person.

Generally, a reasonable person would be taken to expect information to have a material effect on the price or value of Westfield Securities if the information would, or would be likely to, influence persons who commonly invest in Westfield Securities in deciding whether or not to buy or sell Westfield Securities.

11.2 Examples of price sensitive information

Examples of price sensitive information might include:

- a change in an entity's forecast or expectation;
- a material acquisition or sale;
- a proposed or actual takeover;
- a proposal or agreement for a merger;
- a proposed dividend or distribution or change in the dividend or distribution policy;
- the development of a new product or service;
- an expansion or contraction of business operations;
- a change in directors of Westfield Holdings Limited or one of the responsible entities of a listed trust;
- senior management changes or developments.

This list is indicative only.

11.3 When is information generally available?

Information is generally available if:

- it consists of readily observable matter;
- it has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in Westfield Securities (for example, an announcement to the ASX; and
- since it was made known, a reasonable period for it to be disseminated among such persons has elapsed.

Information is also generally available if it is derived from information that has been made public or it consists of deductions, conclusions or inferences made or drawn from other generally available information.

Westfield usually makes information generally available by releasing it to the ASX. Westfield's continuous disclosure obligations are explained in its Continuous Disclosure and Communications Policy.

Information about the Westfield Group that is specifically designed for publication can be used by employees in the ordinary course of carrying out their employment duties. All other information about the Group must be kept confidential in accordance with the Staff Code of Conduct.

12. Prohibitions against trading

All Restricted Persons are prohibited from trading in any Westfield Securities while in possession of unpublished price-sensitive information.

If a Director or employee is in possession of price sensitive information which is not generally available they cannot:

- buy, sell or otherwise deal in Westfield Securities;
- advise, procure or encourage another person (for example, a family member, a friend, a family company or trust) to buy or sell Westfield Securities; or
- pass on information to any other person, if the Director or employee knows or ought reasonably to know that the person may use the information to buy or sell (or procure another person to buy or sell) Westfield Securities.

13. Insider trading: Other entities

Westfield employees may, during the course of their employment, obtain price sensitive information concerning non Westfield entities. If a person has price sensitive information relating to a non Westfield entity (for example, a listed entity that is a takeover target, involved in a transaction with Westfield or is a customer or supplier to Westfield) and that information is not generally available the same restrictions on insider trading apply in relation to the securities of that entity. Apart from restrictions on insider trading, employees have a duty of confidentiality in relation to information obtained during their employment.

14. Consequences of breach

Breach of the insider trading prohibition could expose a Director or employee to criminal and civil liability. Breach of this policy (irrespective of whether the insider trading prohibition or any other law is breached) will also be regarded by the Westfield Group as serious misconduct which may lead to disciplinary action and/or dismissal.

15. Additional Information

If you have any questions arising from the Security Trading Policy contact one of the following people:

Simon Tuxen
Group General Counsel
Westfield Group
Sydney Australia
Tel: 61 2 9358 7707
Email: stuxen@au.westfield.com

Maureen McGrath
Deputy General Counsel,
Corporate & Compliance
Westfield Group
Sydney Australia
Tel: 61 2 9358 7439
Email: mmcgrath@au.westfield.com

16. Clearance Officers

The following people are Clearance Officers:

Simon Tuxen
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Sydney Australia
Tel: 61 2 9358 7707
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Maureen McGrath
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