

# ANZ SHARE INVESTING TRADING TERMS AND CONDITIONS

16 OCTOBER 2019



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The ANZ Share Investing service is provided by CMC Markets Stockbroking Limited ABN 69 081 002 851 AFSL 246381 (CMC Markets Stockbroking), a Participant of the Australian Securities Exchange (ASX Group), Sydney Stock Exchange (SSX) and Chi-X Australia (Chi-X), at the request of Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (ANZ). Disclosure documents relating to ANZ Share Investing products and services are available on [www.anzshareinvesting.com](http://www.anzshareinvesting.com) or by calling us on 1300 658 355. ANZ is the issuer of the ANZ Cash Investment Account, ANZ Share Investment Loan and V2 PLUS Account. The obligations of CMC Markets Stockbroking are not guaranteed by ANZ. CMC Markets Stockbroking and ANZ are not representatives of each other.

ANZ\_S11\_001\_0618\_Terms and conditions

ANZ Share Investing is a service issued by the Broker and made available at the request of ANZ to ANZ customers. Neither the Broker nor ANZ are representatives of each other. The agreement ('Agreement') is made between the Broker and the Client. For the avoidance of doubt, ANZ is not a party to this Agreement. This Agreement pertains to those Clients who open a Trading Account with the Broker through the share trading service 'ANZ Share Investing'. To the extent permitted by law ANZ will not guarantee or otherwise support the Broker's obligations under this Agreement or any other contracts or agreements connected with the ANZ Share Investing service. ANZ is not liable for any loss or damage you may suffer or incur arising out of or in any way connected with any service, statement, representation, information or advice made or given, whether negligently or otherwise, by the Broker.

This Agreement comes into effect when the Broker accepts an application from the Client to open a Trading Account in the name of the Client. This Agreement comprises a number of separate parts:

#### **Part A General Terms and Conditions**

This part applies to all Trading Accounts.

#### **Part B Online Trading**

This part applies if the Broker allows the Client to use its Online Service.

#### **Part C Conditional Orders**

This part applies if the Broker allows the Client to use its Conditional Order service.

#### **Part D Trading in Derivatives Products**

This part applies if the Client opens an account with the Broker for the trading of ASX Derivatives Products (as defined in Part D).

#### **Part E Warrant Agreement**

This part applies if the Client instructs the Broker to deal in Warrants.

#### **Part F Dealing in Partly Paid Securities**

This part applies if the Client instructs the Broker to deal in Partly Paid Securities.

#### **Part G CHESS Sponsorship Agreement**

This part applies if the Client wishes to appoint the Broker as its Controlling Participant to establish and control holdings of financial products for the Client in CHESS.

#### **Part H Trading in International Securities**

This part applies if the Client instructs the Broker to deal in International Securities.

## **A. GENERAL TERMS AND CONDITIONS**

### **1. Definitions**

In this Agreement the following terms have the meanings set out below:

**Application Form** means the application form or application forms completed by the Client and given to the Broker, requesting that the Broker open one or more Trading Accounts.

**ANZ** means Australia and New Zealand Banking Group Limited (ABN 11 005 357 522).

**AQUA Product** means an Approved Financial Product that is admitted under the ASX Operating Rules, and is a Managed Fund Product (as defined in the ASX Operating Rules) which form part of a "simple managed investment scheme".

**ASIC** means the Australian Securities and Investments Commission.

**ASIC Rules** means the ASIC Market Integrity Rules (Securities Markets) 2017 as applicable and as amended or replaced from time to time.

**ASX** means the ASX Limited (ABN 98 008 624 691).

**ASX Clear** means ASX Clear Pty Ltd (ABN 48 001 314 503) or another clearing facility approved to clear Transactions.

**ASX Clear Rules** means the operating rules, procedures, directions, decisions, requirements, customs, usages and practices of ASX Clear, as amended from time to time.

**ASX Rules** means the operating rules, procedures, directions, decisions, requirements, customs, usages and practices of ASX, as amended from time to time, including the ASX Clear Rules and ASX Settlement Rules.

**ASX Settlement** means ASX Settlement Pty Ltd (ABN 49 008 504 532) or another settlement facility approved to settle Transactions.

**ASX Settlement Rules** means the operating rules, procedures, directions, decisions, requirements, customs, usages and practices of ASX Settlement, as amended from time to time.

**ASX Transaction** means a transaction to which the ASX Rules and the ASIC Rules apply.

**Authorised Agent** means the person (if any) described as the authorised agent of the Client in the Application Form or another person notified by the Client to the Broker under clause 4.

**Automated Order Processing** means the process by which the Client's Orders are registered in the Broker's system, and if accepted for submission into the relevant Exchange System by the Broker, submitted as corresponding trading messages without being re-keyed by a designated trading representative (DTR) of the Broker.

**Broker, we or us** means CMC Markets Stockbroking Limited (ABN 69 081 002 851).

**Business Day** has the meaning given to it in the ASX Clear Rules.

**Cash Account** means the ANZ Cash Investment Account to be opened or closed by Share Investing Limited as trustee for the purposes of settling the obligations of the Client to the Broker arising out of Transactions entered into by or on behalf of the Client or the payments of any fees or other amounts owed to the Broker.

**Cash Cover** has the meaning given to it in the ASX Clear Rules and means the cash balance credited by ASX Clear to a Participant to satisfy the amount determined by ASX Clear under ASX Clear Rule 14.6.1.

**CHES** means the Clearing House Electronic Sub-register System, operated by ASX Settlement.

**CHES Holding** means the Client's holding of one or more financial products in CHES which holding is identified by a HIN which the Client has provided to the Broker or which is notified in writing by the Broker to the Client after this Agreement commences.

**Chi-X** means Chi-X Australia Pty Ltd.

**Chi-X Rules** means the operating rules, procedures, directions, requirements, customs, usages and practices of Chi-X, as amended from time to time.

**Chi-X Transaction** means a transaction to which the Chi-X Rules and the ASIC Rules apply.

**Claim** means a claim, action, proceeding or demand made against the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent.

**Clearing Participant** has the meaning given to it in the ASX Settlement Rules.

**Client, or you** means the person or persons described as the client in the Application Form or an Authorised Agent.

**Collateral** has the meaning given to it in the ASX Clear Rules and means property acceptable to ASX Clear, secured by any person in favour of ASX Clear in respect of some or all of the obligations of a Participant to ASX Clear (such as the Broker) and includes Cover as defined under the ASX Settlement Rules.

**Conditional Order** means an instruction the Client gives to the Broker to place an Order to enter into a Transaction on the Client's behalf:

- (i) when the Trigger occurs; and
- (ii) in accordance with the Specified Instructions.

**Confirmation** means a confirmation issued by the Broker in respect of a Transaction.

**Corporations Act** means the *Corporations Act 2001* (Cth) and any regulations made under it as amended and in force from time to time.

**Cover** has the meaning given to it in the ASX Clear Rules and generally means Cash Cover and Collateral.

**Currency Conversion** means the purchase of foreign currency by the Broker on behalf of the Client when entering into Transactions of International Securities.

**Custodian** means the Broker.

**Default** has the meaning given to it in clause 50.1.

**Derivatives CCP Contract** means a contract which arises as between the Broker and ASX Clear under the ASX Clear Rules when a Derivatives Transaction is registered with ASX Clear.

**Derivatives Transactions** means transactions in Exchange Traded Options and other Derivatives Products.

**Discretionary Order** means an Order in which the Client has requested that the Broker exercises discretion as to certain conditions of the Order (i.e. price and/or volume).

**Exchange** means ASX, Chi-X, SSX and any International Exchange.

**Exchange System** means any computer system utilised by ASX, Chi-X, SSX, ASX Clear or ASX Settlement in connection with trading, matching, price reporting, clearing, settlement or registration.

**Intellectual Property Rights** means any and all:

- (i) intellectual property rights, including copyright and related rights, patents, utility models, trademarks, service marks, trade names, domain names, moral rights, trade secrets, rights to inventions, logos, rights in get-up, goodwill and the right to sue for passing off and unfair competition, rights in computer software (including to the source code and object code), inventions, semi-conductor topography rights, database rights, rights in databases, rights in designs, design rights, know-how and confidential information whether in software or otherwise and whether registered or unregistered;
- (ii) applications for registration, and the right to apply for registration, renewal or extension of any of these rights, the rights to claim priority from any such rights; and
- (iii) any and all other intellectual property and proprietary rights and equivalent forms of protection or of similar effect existing, now or in the future, anywhere in the world.

**International Exchange** means an Exchange other than ASX, Chi-X and SSX in which we are able to accept Orders of International Securities from time to time. A list of International Exchanges is available on the Broker's website.

**International Exchange Transaction** means a transaction to which the rules of an International Exchange apply.

**International Securities** means financial products as determined by the Broker which can be traded on an International Exchange upon which the Broker allows the Client to enter into buy and sell Orders.

**Limit Price** means the minimum price at which the Broker is instructed to sell, or the maximum price at which the Broker is instructed to purchase.

**Linked Order** means a Conditional Order which is linked to a previous order.

**Loss**, in relation to a person means a damage, loss, cost, expense or liability incurred by the person, however it arises and whether it is present or future, fixed or unascertained, actual or contingent and includes any loss of profit and opportunity cost.

**Mandatory Corporate Action** means an action taken by a company which affects all holders of International Securities in that company.

**NGF** means the National Guarantee Fund administered by SEGC.

**One Cancels the Other Order** means a pair of Conditional Orders either of which will cancel the other Order in the pair if it meets the Trigger.

**Online Service** means the online trading and information service provided by the Broker to the Client and includes the Automated Order Processing facility.

**Order** means any order placed by the Client with the Broker to purchase or sell or otherwise deal in a Transaction.

**Partly Paid Security** means a financial product quoted on an Exchange for which the holder may be liable to pay a call or instalment in accordance with the terms of issue and for which an amount remains unpaid, but does not include a quoted product issued by a no liability company or a Derivatives Product.

**Rules** mean the ASX Rules, the Chi-X Rules, the SSX Rules, the ASIC Rules, the ASX Clear Rules and the ASX Settlement Rules (as applicable) and the rules of any relevant International Exchanges.

**Security Information** means any of the Client's logon code, password or trading PIN.

**SEGC** means Securities Exchange Guarantee Corporation Limited (ABN 008 626 793).

**Settlement Date in relation to a Transaction** means the date specified on the relevant Confirmation, or if no date is specified, the date determined in accordance with the Rules.

**Settlement Account** means a Cash Account, or the ANZ Share Investment Loan, which may be used to settle the obligations of the Client arising out of Transactions made by or on behalf of the Client in connection with this Agreement.

**Settlement Time in relation to a Transaction** means the time on the Settlement Date specified on the relevant Confirmation, or if no time is specified, the time determined in accordance with the Rules.

**Specified Instructions** means, in relation to a Conditional Order, the instruction as to the price at which an Order is to be placed when the Trigger occurs, which may be an instruction to place an Order:

- (i) at a **Limit Price**;
- (ii) **at market**; or
- (iii) on any other basis permitted by the Broker.

**SSX** means the Sydney Stock Exchange (previously APX or Asia Pacific Stock Exchange).

**SSX Rules** means the operating rules, procedures, directions, decisions, requirements, customs, usages and practices of SSX, as amended from time to time.

**SSX Transaction** means a transaction to which the SSX Rules and the ASIC Rules apply.

**Sub-Custodian** means BNP Paribas Securities Services or any other sub-custodian named on the Broker's website. A reference to the Sub-Custodian includes a reference to any sub-custodian appointed by the Sub-Custodian.

**Sub-position** has the meaning given to it in the ASX Settlement Rules.

**Trading Account** means the Client's trading account with the Broker.

**Transaction** means an ASX Transaction, Chi-X Transaction, a SSX Transaction or an International Exchange Transaction.

**Trigger** means criteria (for example a price or some other fact or event) specified by the Client that is acceptable to the Broker, which, when satisfied, causes the Broker to place an Order to enter into a Transaction.

## 2. Interpretation

2.1 The following rules apply when interpreting this Agreement:

- (a) Headings are for reference only and do not in any way affect the meaning of this Agreement.
- (b) Unless the context requires otherwise or a word is defined in this Agreement, words defined in the Corporations Act, or the Rules have the same meaning in this Agreement.
- (c) The single includes the plural and vice versa.
- (d) Unless the context otherwise requires, a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under that legislation or legislative provision.
- (e) Each part of this Agreement is severable from the balance of this Agreement and if any part of the Agreement is illegal, void, invalid or unenforceable, then that will not affect the legality, effectiveness, validity or enforceability of the balance of this Agreement.
- (f) ) No failure by the Broker to exercise, and no delay by the Broker in exercising, any right, power or remedy in connection with this Agreement will operate as a waiver of that right, power or remedy. No single or partial exercise of any right, power or remedy will preclude any other or further exercise of such right, power or remedy or the exercise of any other right, power or remedy.
- (g) While ANZ is not a party to this Agreement, certain provisions may apply to the benefit of ANZ.
- (h) This Agreement is not to be interpreted against the Broker's interests merely because the Broker proposed these provisions or because the Broker relies on a provision of this Agreement to protect themselves.

2.2 Where any term of Part A of this Agreement is inconsistent with a specific provision in Parts B, C, D, E, F, G or H which is part of the Agreement between the Broker and the Client, the specific provision shall prevail over the term in Part A with which it is inconsistent, to the extent of the inconsistency.

### 3. Rules and regulations

The Client and the Broker agree that the terms of their relationship in respect of Transactions (including this Agreement) and any dealings between them concerning Transactions are subject to, and that they are bound by, the Corporations Act and the Rules.

### 4. Appointment of Authorised Agents

- 4.1 The Client appoints the Broker as its agent for the purpose of executing Orders as instructed by the Client from time to time, clearing and settling such Transactions, and to do all things necessary or incidental to the execution, clearing and settlement of those Transactions in accordance with the terms of this Agreement. The Client authorises the Broker to:
- open one or more Trading Accounts for the Client, as requested in the Application Form; and
  - act on the instruction of the Client or any person appointed as an Authorised Agent under this clause 4.
- 4.2 The Client may authorise another person ('Authorised Agent') to give instructions and place Orders on the Client's behalf. The Client must notify the Broker in the Application Form or otherwise in writing of any such authorisation, setting out the name and specimen signature of the Authorised Agent.
- 4.3 The Client may at any time, by notice to the Broker, revoke the appointment of an Authorised Agent and substitute another person as an Authorised Agent. Where another person is appointed Authorised Agent, the notice must include the full name, telephone number, email address and specimen signature of that person and the notice must be verified by the Client and, in the case of a corporate Client, by a director of the Client.
- 4.4 The Broker may treat a communication given, or apparently given by an Authorised Agent as having been given by the Client, and rely on that communication without further enquiry.
- 4.5 The Client is and remains solely liable and responsible for all acts and omissions of its Authorised Agent notwithstanding the act or omission of the Authorised Agent was:
- outside their actual or ostensible authority; or
  - in error, fraudulent, negligent, in breach of its fiduciary duties or criminal, but only to the extent the Broker was not actually aware the Authorised Agent was acting outside authority or aware of any fraud, negligence or breach.
- 4.6 The Client agrees not to make, and releases the Broker from any right the Client may have to make, any Claim against the Broker for any Loss incurred or suffered by the Client which may arise in connection with any act or omission by the Authorised Agent but only to the extent the Broker was not actually aware the Authorised Agent was acting outside authority or of any error, fraud, negligence or breach.

### 5. Joint accounts

If more than one person constitutes the Client (including for example if the relevant Trading Account is a joint account, or if the Client is a partnership or otherwise comprises more than one person), then each person constituting the Client is jointly and severally liable under this Agreement, and the Broker may act on the instructions of any one of those persons.

### 6. Instructions and Orders

- 6.1 The Client may from time to time place Orders with the Broker to enter into Transactions. Subject to this Agreement, the Broker will deal (or will instruct third parties to deal) on the Client's behalf in financial products in accordance with the Client's instructions, or, where no specific instructions are provided, at the discretion of the Broker in accordance with applicable Rules and any applicable policies of the Broker.
- 6.2 The Broker will use its reasonable endeavours to execute or arrange the execution of the Client's instructions in accordance with the Broker's Best Execution Policy, available on the Broker's website. Without limiting clause 25, the Broker will not be responsible for delays or errors in the transmission or execution of the Client's instructions (except to the extent that responsibility cannot be excluded by law).
- 6.3 The Broker may, acting reasonably, decline instructions provided by or on behalf of the Client at any time. The Broker is not required to provide a reason for declining any instructions.
- 6.4 The Client acknowledges that the Broker has no obligation to resubmit any Orders purged from any trading facility operated by an Exchange.
- 6.5 The Client acknowledges that unexecuted Orders in respect of some financial products (such as Warrants and Derivatives Products) may be purged by an Exchange at the end of the relevant Business Day.
- 6.6 The Client must not instruct the Broker to submit an Order to enter into a Transaction which would breach or cause the Broker to breach the Corporations Act, any other applicable laws or the Rules including, without limitation, any law or rules in relation to:
- market manipulation, false trading, market rigging, fictitious transactions, wash trading or matching of orders;
  - insider trading;
  - short selling (including any requirement referred to in clause 15);
  - creating a disorderly market or otherwise prejudicing the integrity or efficiency of the market; or
  - misleading or deceptive conduct.
- 6.7 The Client undertakes to ensure that it does not knowingly give to the Broker an Order that, if executed, will result in there being no change of beneficial ownership of the relevant financial product that is the subject of the Order.

## **7. Confirming Transactions**

- 7.1 The Broker will confirm the execution of Transactions in accordance with the requirements of the Corporations Act and the Rules.
- 7.2 The Broker is authorised to, but not required to, send Confirmations electronically, if the Client has requested in writing that the Broker does so and has not revoked that request.
- 7.3 Where your Order is executed by multiple Transactions, including across multiple Exchanges, you authorise the Broker to accumulate those Transactions on a single Confirmation and specify the volume weighted average price for those Transactions.
- 7.4 All Confirmations are subject to the Rules and the correction of errors and omissions. The Client must promptly check the accuracy of every Confirmation received from the Broker. The Client must immediately notify the Broker if the Client becomes aware that there is an error in the Confirmation. If the Broker does not receive any such notification from the Client within 24 hours, the Client will be taken to have accepted the accuracy of the Confirmation.
- 7.5 The Broker may, at any time, reissue a Confirmation in order to correct any errors or omissions.

## **8. Cancellation of orders and Transactions**

- 8.1 The Broker may request, agree to or effect the cancellation of any Order or Transaction for any reason without the consent of the Client in circumstances including but not limited to:
- (a) where the Broker considers the cancellation appropriate, having regard to its obligations as a participant of ASX, Chi-X, SSX, ASX Clear or ASX Settlement or as the holder of an Australian Financial Services Licence or the desirability of maintaining a fair and orderly market;
  - (b) where ASX, Chi-X, SSX, ASX Clear or ASX Settlement requests or directs that the Order or Transaction be cancelled;
  - (c) where the Rules require or contemplate that the Order or Transaction will be cancelled; or
  - (d) where the security or other financial product the subject of the Order has been subject to a trading halt and the Client has not reconfirmed instructions.
- 8.2 The obligations of the Client and the Broker under this Agreement in relation to the settlement of a Transaction which is cancelled in accordance with clause 8.1, cease to apply in respect of that cancelled Transaction from the time it is cancelled (whether or not the Broker has given the Client a Confirmation in respect of the Transaction).
- 8.3 The Client acknowledges that under the Rules applicable to an Exchange, the Exchange has a range of powers including the power to cancel or amend a Transaction. The Client agrees not to make, and releases the Broker from any right the Client may have to make, any Claim against the Broker for any Loss incurred or suffered by the Client which may arise in connection with the

exercise of any power pursuant to any Rules (whether or not the Broker has given the Client a Confirmation in respect of the Transaction).

## **9. Brokerage, fees and commission arrangements**

- 9.1 The Client must pay to the Broker or as the Broker directs:
- (a) brokerage at such rates as the Broker may determine and notify the Client from time to time; and
  - (b) any fees, taxes, stamp duty or other charges as may from time to time be levied on or in connection with any dealings in financial products entered into on the Client's behalf.
- The amount of brokerage payable by the Client to the Broker in respect of any Transaction will be set out in the Confirmation of that Transaction or as otherwise notified by the Broker to the Client.
- 9.2 The Client authorises and directs the Broker to pay a portion of the brokerage and fees payable by the Client under this Agreement to ANZ for financial services provided by ANZ in relation to the ANZ Share Investing service. The portion is the amount agreed between the Broker and ANZ.
- 9.3 The Client acknowledges that:
- (a) the Broker may receive commissions and other benefits from other parties in relation to Transactions the Broker enters into on the Client's behalf including for example, commissions or benefits from the issuer of various financial products, such as Warrants. The Broker is entitled to retain such commissions and benefits.
  - (b) if the Client has been referred to the Broker by another broker or other third party, that broker or third party may receive benefits in the form of a commission or rebate from the Broker; and
  - (c) pursuant to clause 19.2, the Broker may receive commissions on Transactions between the Client and the Broker's other clients (from both parties) and from Transactions between the Client and the Broker as principal.

## **10. Cash Account**

- 10.1 The Broker, ANZ or Share Investing Limited may, on written notice to the Client open or close a Cash Account on behalf of the Client for the purposes of facilitating the settlement of Transactions entered into by or on behalf of the Client.
- 10.2 The Broker is not liable for any Loss suffered by the Client as a result of any default by the provider of the Cash Account.
- 10.3 The Broker is not obliged to execute any instructions provided by or on behalf of the Client unless the Client has opened a Cash Account.
- 10.4 The Client authorises the Broker to:
- (a) debit any amounts owing to the Broker, or credit any amounts the Broker owes to the Client, under these terms and conditions from or to the Cash Account; and
  - (b) access information about your Cash Account from the Cash Account provider.

## 11. Settlement of purchases

- 11.1 The Client agrees to and must ensure that all funds required by the Broker to settle a Transaction for the purchase of a financial product, and all brokerage, taxes, costs, duties and charges in respect of that Transaction, are paid to or otherwise made available for use by the Broker at the time the Order in respect of that Transaction is processed unless otherwise agreed by the Broker and in any event prior to the Settlement Time. Payment in cash is not acceptable.
- 11.2 On the execution of an Order for the purchase of a financial product, the Client acknowledges that that amount may be 'locked' in the Settlement Account of the Client. From that time, the Client will not be entitled to withdraw those 'locked' funds from the Settlement Account. Only the Broker will be entitled to use those funds for the purposes of settling the relevant Transaction or otherwise as permitted under this Agreement.
- 11.3 The Client authorises the Broker to:
- (a) appropriate any credits, payments, receipts or amounts to which the Client is entitled (including amounts standing to the credit of any Cash Account); and
  - (b) set off those credits, payment, receipts or amounts against any amount due or owing by the Client to the Broker, whether under this Agreement or otherwise.
- 11.4 The Broker is not required to transfer to the Client any securities or other financial products acquired or purchased by the Broker on behalf of the Client, until the Broker has been paid all amounts payable by the Client in respect of the relevant acquisition or purchase.
- 11.5 Pending settlement by the Client, in accordance with the provisions of the Corporations Act, the relevant Confirmation constitutes notice to the Client that the Broker may deposit the securities or other financial products described in the Confirmation as security for a loan if the Broker has received and paid for them on behalf of the Client.

## 12. Settlement of sales

- 12.1 The Client must provide all documents and security holder information (including its HIN or personal identification number and, if applicable, shareholder reference number) to the Broker prior to the Settlement Time.
- 12.2 If the Client has appointed the Broker as the Client's CHES Participant under a Sponsorship Agreement on the terms of Part G to hold financial products in CHES, the Client irrevocably authorises the Broker to apply any financial products held in the Client's CHES Holding with the Broker to settle any Transaction for the sale of those financial products.
- 12.3 Credits in respect of sales will not be made available to the Client until the latest of:
- (a) the Settlement Time;

- (b) the time at which all documents and security holder information (required by clause 12.1) have been received by the Broker; and
- (c) all amounts due and payable by the Client to the Broker have been paid.

- 12.4 All proceeds of sale to which the Client is entitled under this Agreement will be paid directly to the Client, and not to any third party, unless the Client gives different instructions to the Broker.

## 13. Failure to settle or other breach

- 13.1 If the Client fails to settle any Transaction in accordance with the relevant Confirmation and this Agreement, or if the Client fails to comply with any other term of this Agreement, the Broker may do one or more of the following:
- (a) pass on to the Client all costs incurred as a result of that failure;
  - (b) in the case of a sale of financial products by the Client, buy any financial products sold in order to cover the settlement (with the Client being fully responsible for any Loss in connection with such purchase) and recover any costs in so acting from the Client and the Client acknowledges and agrees that the Broker may be obliged to do so under the Rules if the Client failed to settle the sale or ensure that the sale is settled by the fifth Business Day after the relevant sale Order was executed;
  - (c) charge an administration fee calculated by reference to the additional cost which may be incurred by the Broker as a result of the Client's failure to settle;
  - (d) levy a default charge on the amount from time to time outstanding at a rate of up to the rate which the Broker would be required to pay on an overdraft facility with its then current bankers;
  - (e) use its own securities or other financial products or obtain securities or other financial products from third parties (by an on-market purchase or otherwise) and use those securities or financial products to settle any sale executed by the Broker on behalf of the Client;
  - (f) where permitted by ANZ, cause the Cash Account to be overdrawn in order to settle the Transaction;
  - (g) sell any securities or other financial products purchased on behalf of the Client at the risk and expense of the Client;
  - (h) sell out any securities or other financial products otherwise held on behalf of the Client and apply the proceeds to reduce the Client's liability to the Broker or to ANZ and to recover the Broker's costs in so acting;
  - (i) apply any cash held by the Broker or to which the Broker has access, or payments received for or from the Client, to reduce the Client's liability to the Broker; or
  - (j) cancel any unexecuted Orders of the Client.

- 13.2 Without limiting clause 24, the Client is responsible for and indemnifies the Broker against all Losses arising in connection with any settlement failure referred to in clause 13.1 including, without limitation, brokerage, stamp duty, taxes, penalties, interest and legal costs (on a full indemnity basis).
- 13.3 The Client must pay or reimburse the Broker any amounts covered by the indemnity under clause 13.2 (together with any GST payable on those amounts) immediately upon demand. The Broker may deduct any of those amounts (and any GST) from any sale proceeds or other amounts otherwise payable to the Client.
- 14. No personal advice provided**
- 14.1 The Client acknowledges that the Broker provides an execution and settlement only service, and does not provide personal financial product advice.
- 14.2 The Client acknowledges that:
- any material or information made available or provided (whether in writing, electronically, orally, through the Online Service or otherwise) to the Client, has not been prepared taking into account or to take into account the particular investment objectives, financial situation or needs of the Client, is not personal financial product advice and is not suitable to be relied upon by the Client as personal advice;
  - it is the Client's responsibility to obtain personal financial product advice before making any investment or trading decision; and
  - no warranty or representation is or has been made by or on behalf of the Broker as to the current or future accuracy, completeness or currency of that material or information.
- 15. Short selling and disclosures in respect of sale Orders**
- 15.1 The Client acknowledges that:
- the Broker does not endorse nor provide the facility for the Client to execute short sales of securities or other financial products unless otherwise agreed by the Broker and in accordance with applicable Rules; and
  - when placing an Order to sell financial products, the Client (or the Authorised Agent of the Trading Account) must provide the Broker with all relevant information as required by the Corporations Act, any other applicable laws or the Rules.
- 15.2 When the Client places a sell Order with the Broker, the Client must notify the Broker, whether the sale is a long sale or a covered short sale. For this purpose:
- a long sale is a sale of financial products that the Client already owns at the time the Client places the sale Order (but does not include financial products which the Client has borrowed from a securities lender); and
  - a covered short sale is a sale of financial products where the Client has, at the time of placing the sell Order, a legally binding commitment from a securities lender to lend the financial products to the Client.
- 15.3 The Client acknowledges that the Broker will not be permitted to execute a sale Order unless the Client has informed the Broker of the relevant category of sale in clause 15.2 to which the Order relates.
- 15.4 The Client agrees that, each time the Client places a sale Order and notifies the Broker of the relevant category of sale to which the sale Order relates, the Client will be taken to have warranted and represented to the Broker that the sale falls within the relevant category.
- 15.5 If the Client places the sale Order with the Broker by telephone, the Client may satisfy their disclosure obligations by advising the Broker whether the sale is a 'long sale' or a 'short sale' under an exemption.
- 15.6 If the Client places the sale Order through the Broker's Online Service, the Client will need to satisfy their disclosure obligations as set out in clause 15.2 by clicking on the mandatory fields provided through the Online Service software.
- 15.7 The Client also agrees that if the Client sells financial products as a result of the exercise of an exchange traded call option sold (written) by the Client or an exchange traded put option bought (taken) by the Client, the Client must inform the Broker whether or not the sale is a long sale; that is whether or not the Client has a presently exercisable and unconditional right to vest the financial products in the buyer of the securities at the time the relevant option is exercised. The Client must notify the Broker of this:
- if the Client requests the Broker to exercise the option – at the time the request is made; or
  - otherwise – as soon as practicable after the Client becomes aware that the option has been exercised.
- 16. Information, telephone recording and privacy**
- 16.1 The Client authorises the Broker to record any telephone conversation between the Client and the Broker, with or without an audible tone warning device. The Client agrees that the Broker may use such recordings for the purposes of monitoring compliance with the Client's and the Broker's respective regulatory and contractual obligations, and resolving disputes. If there is a dispute between the Broker and the Client, the Client has the right to listen to any recording of any conversation between the Broker and the Client. Nothing in this Agreement obliges the Broker to keep a recording longer than 90 days.
- 16.2 The Client authorises the Broker, to the extent permitted by law, to make any inquiries regarding the Client's credit worthiness from any person including, without limitation, any bank or credit reporting agency or the Client's employer.

16.3 The Client agrees that it has reviewed and understood the Broker's privacy policy available on the Broker's website and that information about the Client is collected for the purposes of this Agreement, including, without limitation:

- (a) to assess the Client's application to open a Trading Account;
- (b) to effect purchases and sales of financial products;
- (c) to effect the transfer of funds and payments;
- (d) where applicable, for the purposes of acting as Controlling Participant in respect of a CHES Holding;
- (e) to allow the Broker to communicate with third parties in connection with the matters contemplated by this Agreement; and
- (f) ) to ensure that legal and regulatory requirements are met.

16.4 The Broker may use or disclose any information about the Client which is collected by the Broker from the Application Form or otherwise in accordance with an authority or consent given by the Client. Without limiting the above, the Client specifically acknowledges and agrees that the Broker may:

- (a) use the information to assess the application of the Client to open a Trading Account;
- (b) use or disclose the information to a third party, (including an overseas recipient or the operator of any Settlement Account), in connection with the opening of a Settlement Account or in connection with any other services provided to the Client, under or for the purposes of this Agreement;
- (c) use or disclose any such information to the extent required by law or the Rules;
- (d) disclose any tax file number(s) provided by the Client to any relevant person or share registry;
- (e) provide the Client's name and credit rating to such credit reporting agencies;
- (f) ) unless the Client otherwise indicates on the Application Form or at any later time in writing to the Broker, disclose (including to third parties) or use the information for marketing purposes; and
- (g) provide the information on a confidential basis to a prospective purchaser of, or investor in, the Broker or all or part of the business of the Broker.

16.5 The Client acknowledges and authorises the Broker to disclose any Trading Account information (including, without limitation, the Client's name, address, contact and other personal details; each Authorised Agent's name, address, contact and other personal details; details of orders placed and trades and other transactions entered into by a Client or on their behalf; other activities or dealings conducted by a Client or on their behalf by, through or in connection with the services made available by the Broker; copies of contract notes; details of payments made by or to a Client; the Client's Trading Account number; details as to the state of the Client's Trading

Account; the Client's CHES holdings; and details of the Client's Settlement Accounts) to ANZ, any of its related entities or any third parties nominated by ANZ that make available services to the Client or ANZ in connection with the Client's Trading Account. ANZ and its related entities may use the information in accordance with its privacy policy which is available at [www.anz.com.au](http://www.anz.com.au)

16.6 The Client will take all reasonable steps to deliver information or documentation to the Broker, or cause information or documentation to be delivered to the Broker concerning Transactions which are requested by a person having a right to request such information or documentation (including, without limitation, ASIC, ASX, Chi-X, SSX, ASX Clear or ASX Settlement). The Broker is authorised to produce the information or documentation to the person making the request.

16.7 The Broker agrees to comply with its obligations under the Privacy Act 1988 (Cth) as amended from time to time, to the extent that they are relevant to this Agreement.

#### **17. Anti-money laundering and counter-terrorism financing**

17.1 The Client acknowledges that:

- (a) the Broker is subject to various anti-money laundering and counter-terrorism financing laws ('**AML/CTF Laws**') which include among other things prohibitions against any person dealing with the proceeds of, or assets used in, criminal activity (wherever committed) and from dealing with any funds or assets of, or the provision of services to, any person or entity involved (or suspected of involvement) in terrorism or any terrorist act; and
- (b) the AML/CTF Laws may prohibit the Broker or ANZ from providing services to the Client as contemplated by this Agreement.

17.2 The Client agrees that:

- (a) the Broker is not required to accept or execute any Order, or take any other action or perform any obligation under, or in connection with, this Agreement if the Broker is not satisfied as to the Client's identity, or if the Broker suspects on reasonable grounds that by doing so the Broker may breach the AML/CTF Laws;
- (b) the Broker may delay, block or refuse to make any payment, or refuse to release any funds that the Broker holds on the Client's account, if the Broker believes on reasonable grounds that to do so may breach any law in Australia or of any other country including, without limitation, the AML/CTF Laws; and
- (c) the Broker will incur no liability to the Client for any Loss the Client suffers (including consequential loss) however caused by reason of any action taken or not taken by the Broker as contemplated in paragraph (a) or (b) above.

17.3 The Client agrees to provide all information and documents to the Broker which the Broker reasonably requires to comply with any law in Australia or of any other country, including any AML/CTF Laws and agrees that the Broker may disclose information which the Client provides to the Broker, or about Transactions the Client conducts, or seek to conduct, with the Broker where the Broker is required to do so by any such laws.

## **18. Representations and warranties**

- 18.1 Each time the Client places an Order with the Broker, the Client represents and warrants that the Order is placed by:
- (a) the Client as principal; or
  - (b) if not, the Client has full power and authority (including meeting the relevant regulatory requirements) to place the Order for the person for whom the Order is placed.
- 18.2 The Client represents and warrants that at the time the Client completes the Application Form and at all times during the term of this Agreement:
- (a) the Client has read and understood all documentation provided by the Broker and ANZ to the Client in relation to the services provided by the Broker and ANZ including, without limitation, any Financial Services Guide or Product Disclosure Statement or other legal document;
  - (b) the Client is a person with whom the Broker is lawfully entitled to deal pursuant to any statute, law, rule or regulation applicable to this Agreement and that all dealings by the Client with the Broker or requested to be done by the Broker on the Client's behalf are and will be lawful;
  - (c) all information supplied on the Application Form or otherwise to the Broker is true, complete and accurate in all respects and the Client will notify the Broker immediately of any change in any information supplied (including but not limited to any change in the Client's name, address, telephone number, facsimile number or email address);
  - (d) the Client will rely upon the Client's own knowledge and judgment and will seek such advice (financial or otherwise) as may be prudent before placing an Order with the Broker, and the Client assumes full responsibility for any Order placed with the Broker;
  - (e) at all times the Client will be able to make payments and fulfill all commitments on the Client's part arising under this Agreement and under the conditions applicable to dealings between the Client and the Broker;
  - (f) ) if the Client is a natural person, the Client represents and warrants that he or she is 18 years of age or over;
  - (g) if the Client is acting as trustee of a trust or responsible entity of a managed investment scheme, the Client has authority to be bound by this Agreement as trustee or responsible entity,

and agrees that it is liable under this Agreement both in its capacity as trustee or responsible entity and in its personal capacity; and

- (h) if the Client is a corporation, the Client holds a valid company registration number in accordance with the legislative requirements in the Client's principal place of residence.

18.3 Apart from any warranties and representations which are implied by law and cannot be excluded, the Broker makes no warranties in relation to any service or information provided or made available to the Client in connection with this Agreement. To the full extent permitted by law, the Broker excludes liability for all costs, expenses, damages and Losses arising in connection with such services or information, or this Agreement (including, without limitation, liability for negligence).

## **19. Principal trading by Broker**

- 19.1 The Broker and its related bodies corporate may enter into Transactions in securities and other financial products as principal. Where permitted by law, the Broker may take the opposite position in any such a Transaction with the Client, acting either for another client or on its own account.
- 19.2 The Client consents to the Broker and its related bodies entering into such Transactions with the Client. In relation to commission on such Transactions, the Broker is entitled to receive commission from both parties, where the Client's Order matches an existing order placed by another client of the Broker.

## **20. Allocation policy**

- 20.1 The Broker will deal with Orders in accordance with the allocation policy set out in this clause 20. The Broker reserves the right to amend the allocation policy at any time. The Broker may inform the Client of any updates to the policy from time to time and will provide the Client with the current allocation policy at the Client's request.
- 20.2 The Broker will deal fairly and in due turn with all Client orders and orders placed on the Broker's own account having regard to any Australian regulatory requirements and market practices.
- 20.3 To the extent that it is reasonably practicable to do so, the Broker will allocate all Transactions (including Transactions effected pursuant to orders placed on the Broker's own account) in the sequence in which the Broker receives those orders, subject to any delay or technical faults connected with or arising through the use of the Broker's systems or any other delay that is outside the control of the Broker.
- 20.4 If the Broker receives several orders (including orders placed on the Broker's own account) on the same terms and in respect of the same financial product, the Broker will generally allocate the Transactions to those orders having regard to the time at which the orders were received and generally in accordance with the following priority of allocation:

- (a) first priority will be given to an 'at market Order';
- (b) second priority will be given to a 'limit order' being an Order in which the Client has requested that the Transaction is effected only if specific conditions (i.e. price and volume) are satisfied and in relation to the priority of multiple limit orders, the Broker will prioritise them in the sequence in which it considers that Transactions satisfying the relevant conditions are likely to be effected having regard to the prevailing market price;
- (c) third priority will be given to a 'Discretionary Order'; and
- (d) in the case of Conditional Orders priority will be given having regard to clause 38.

20.5 The priority of allocation specified in this clause 20 is generally applied and may be subject to variation.

#### 21. Variation

The Broker may vary this Agreement by giving the Client not less than two (2) Business Days' notice of any variation, in writing, by updating the ANZ Share Investing website, by making it available on the platform or by electronic mail. If the Broker believes a variation is necessary to maintain or restore the security of any accounts or of its systems or to comply with any legal or regulatory requirement, the Broker may make the variation without notice. In relation to a variation of Part G (Sponsorship Agreement) clause 70 applies.

#### 22. Termination

The Broker or the Client may terminate all or part of this Agreement (other than Part A) at any time and for any reason by giving notice to the other. Termination does not affect outstanding obligations under this Agreement which are undischarged at the time of termination. Each indemnity in this Agreement survives the termination of this Agreement.

#### 23. Notices

- 23.1 Notices given by the Broker may be sent to the address, fax number or email address specified in the Application Form or later notified by the Client, or by posting the notice on the Broker's website, the platform or on the ANZ Share Investing website. Any notice or Confirmation given by the Broker is taken to have been received on the Business Day following the transmission or posting of the notice, demand or Confirmation.
- 23.2 Notices given by the Client must be in writing and sent by post or facsimile to the address or fax number of the Broker specified in the Application Form or later notified by the Broker. A notice given by the Client is taken to have been given at the time it is actually received by the Broker.
- 23.3 Where a Trading Account is opened in the joint names of more than one person, each person agrees that the Broker may discharge any obligation it has to give a notice or a document to one or more of those persons under this Agreement or the Corporations Act by giving notice to any one of those persons.

#### 24. Indemnity

- 24.1 To the fullest extent permitted by law, the Client releases, discharges and indemnifies and agrees to keep the Broker, ANZ and their respective officers, employees, agents and representatives indemnified from and against all sums of money, actions, proceedings, suits, claims, demands, Losses and any other amounts whatsoever arising out of:
- (a) any default, whether by the Client's act or omission under this Agreement or any Order or transaction (including any Transaction);
  - (b) any breach by the Client of any applicable law including the Corporations Act and the Rules;
  - (c) any representation or warranty made or given by the Client under this Agreement proving to be untrue or incorrect;
  - (d) any error, omission, fraud, malfeasance, negligence, misappropriation or criminal act or omission by the Client or by any client, employee, agent or Authorised Agent, consultant or servant of the Client;
  - (e) any failure of any of the Client's computer or electronic systems or networks to perform, be available or successfully transmit data to the Broker, or any error or inadequacy in the data or information input into such systems or networks by the Client;
  - (f) ) anything lawfully done by the Broker or ANZ in accordance with, pursuant or incidental to this Agreement;
  - (g) any instruction, request or direction given by the Client;
  - (h) the Broker complying with any direction, request or requirement of the Rules or the Corporations Act or ASIC, ASX, Chi-X, SSX, ASX Clear or ASX Settlement or any other regulatory body having jurisdiction over the Broker; or
  - (i) the Broker in good faith accepting and acting on instructions received by facsimile transmission which are signed by or purported to be signed by the Client or any Authorised Agent.

#### 25. Limitation of liability

- 25.1 Subject to those provisions of the *Competition and Consumer Act 2010* (Cth), the *Australian Securities and Investments Commission Act 2001* (Cth) and any other rights implied by law, which cannot be excluded by agreement between the Broker and the Client:
- (a) The Broker makes no representations or warranties either express or implied as to merchantability, fitness for a particular purpose, or otherwise (including as to accuracy, currency, availability, completeness or quality), with respect to the goods or services supplied under this Agreement (Services) including, without limitation, the Online Services.
  - (b) The Broker excludes all liability in contract, tort (including negligence) or otherwise relating to

or resulting from use of a Service and for any Loss incurred by the Client directly or indirectly including, without limitation, as a result of or arising out of:

- (i) any inaccuracy, error or delay in or omission from any information provided to the Client in connection with a Service;
  - (ii) any delay, failure or inaccuracy in, or the loss of access to, the provision of a Service to the Client including, without limitation, any delay, failure or inaccuracy in, or the loss of access to, the Online Service or in respect of the transmission of the Client's Orders or instructions or any other communications;
  - (iii) any misinterpretation of the Client's Orders or instructions which are unclear, ambiguous, or not specific; or
  - (iv) any government restriction, Exchange or market ruling, suspension of trading computer or telephone failure, unlawful access to the Online Service, theft, sabotage, war, earthquakes, strikes, force majeure and without limitation, any other conditions beyond the Broker's control.
- (c) The Broker is not liable in contract, tort (including negligence) or otherwise for any loss of prospective profits or expenses or special, indirect or consequential damages resulting from the supply of a Service including, without limitation the Online Service.
- (d) The Broker makes no representations or warranties either express or implied that:
- (i) any Exchange System (or any part of it) or any service or any services performed in respect of it will meet the requirements of the Client or any user; or
  - (ii) the operation of, or services performed in respect of, any Exchange System will be uninterrupted or error-free.
- (e) The Broker is not liable for any breach of a provision of any relevant legislation, negligence, injury, death, lost profits, loss of files, data or use, economic loss, loss of reputation or losses or damages incidental or consequential to the operation of any Exchange System, except to the extent that it is caused by the negligence or dishonesty of the Broker or their employees, agents or representatives.
- (f) ) The Broker's liability shall in any event be limited to:
- (i) in the case of goods, the replacement or repair of the goods; or
  - (ii) in the case of services, the re-supply of the services.

## **26. Complaints and Compensation Arrangements**

26.1 Complaints should be referred to the Broker in accordance with the procedures set out in the Broker's Financial Services Guide. Unresolved complaints will be referred to an independent dispute resolution scheme of which the Broker is a participant.

26.2 As the Broker is a Market Participant of ASX, you may make a Claim on the NGF in the circumstances specified under Part 7.5 of the Corporations Act. (For more information on the circumstances in which you may make a Claim on the NGF or for information on the NGF generally, contact SEGC). As the Broker is a participant of SSX, you may also have the right to make a Claim on the SSX Compensation Fund in the circumstances set out in section 9 of the SSX Business Rules. As the Broker is a participant of Chi-X, you may also have the right to make a claim on the Chi-X fidelity fund in the circumstances set out in section 11 of the Chi-X Operating Rules.

## **27. Assignment**

27.1 The Client consents to any assignment or novation by the Broker of any rights and obligations under this Agreement (or, if applicable, a part of this Agreement) and agrees that the Broker may effect any such assignment or novation at any time without further notice or consent.

27.2 The Client may not assign or novate any of their rights and obligations under this Agreement or any part of this Agreement without the Broker's prior written consent.

## **28. Entire agreement**

This Agreement and any relevant Application Form completed by the Client contain the entire understanding between the Client and the Broker concerning the provision of the services referred to in this Agreement.

## **29. Governing law**

This Agreement is governed by the laws of the State of New South Wales and the Client submits to the jurisdiction of the Courts of that State in relation to any Claim or dispute arising out of the performance of this Agreement.

## **B. ONLINE TRADING (INCLUDING AUTOMATED ORDER PROCESSING)**

The terms and conditions in this Part B apply if the Broker allows the Client to use the Online Service. The Client is taken to have agreed to the terms and conditions in this Part B when the Client or an Authorised Agent next accesses the Online Service.

## **30. Security information**

30.1 Before the Broker allows the Client access to the Online Service, the Broker or ANZ may provide Security Information to the Client.

30.2 The Client agrees that:

- (a) the Client must not use the Online Service (or permit or procure any other person to use the Online Service) until the Security Information has been provided by the Broker or ANZ;
- (b) the Security Information is confidential;
- (c) the Client is responsible for the confidentiality and use of that Security Information at all times and must procure that any Authorised Agent maintains the confidentiality of the Security Information;
- (d) the Client will not permit, consent or allow any person to use the Security Information or to access or use the Online Service using that Security Information;
- (e) the Client will not provide, disclose or make available the Security Information to any person;
- (f) the Client must notify the Broker immediately upon becoming aware of any unauthorised use or disclosure of the Security Information or the Online Service; and
- (g) the Client will:
  - (i) only use the data provided through the Online Service for its own trading purposes;
  - (ii) recognise the Intellectual Property Rights of the Broker, ANZ, the Exchange and all data providers;
  - (iii) not remove any proprietary or copyright notices or labels on the Online Service;
  - (iv) not re-distribute, re-sell or sub-licence any content or data provided through the Online Service; and
  - (v) not use the data provided through the Online Service for any illegal purpose.

30.3 Unless otherwise indicated, the Online Service including the Broker's website and all of its software, algorithms, design, text, content, data, arrangement, organisation, graphics, compilation, magnetic translation, digital conversion, equipment, and any and all other electronic, computer, technical and information communications technology devices and equipment, networks, servers, applications, codes (including source and object codes) and data centres which are contained in or relate to the Broker's website, together with all technical documentation and information necessary for the use of any of the above ("Elements") are protected under applicable Intellectual Property Rights and we and/or our licensors are the owner or the licensee (as applicable) of all such Intellectual Property Rights in the Broker's website and the Elements. All such rights are hereby reserved. The posting of the Broker's website and any Elements on the Broker's website does not constitute a waiver of any right in the Broker's website or such Elements. Except as expressly granted in the Agreement, you do not acquire any rights, title or interest in or to the Broker's website or the Elements.

We hereby grant you a personal, non-exclusive, royalty-free revocable and non-transferable licence, to access and make personal and non-commercial use of the Broker's website for the limited purpose of trading in accordance with the Agreement. No other rights are granted in respect of the Broker's website. In the event you do or attempt to do any of the prohibited matters set out in this section or we reasonably suspect that you have done or attempted to do any of these prohibited matters, the terms of this licence and the Agreement shall be automatically revoked and you shall have no further rights in or to the Broker's website or any of the Elements.

You must not:

- (a) copy, reproduce, translate, duplicate, or use the Broker's website except as expressly provided for in the Agreement;
- (b) permit any other person to copy, reproduce, translate, duplicate or use the Broker's website except as expressly permitted in the Agreement;
- (c) create or develop any hyperlink or other form of internet weblink to the Broker's website except with our express prior written consent;
- (d) modify, adapt, alter, translate, enhance, reverse engineer, decompile, decode, disassemble or reverse assemble (except and solely to the extent an applicable law expressly and specifically prohibits such restrictions), or create derivative works of the Broker's website or any of the Elements (or cause or permit any of the foregoing);
- (e) modify, adapt or alter the operation of the Broker's website in any way (other than as intended by the Agreement);
- (f) distribute, re-distribute, sell, re-sell, transmit, re-transmit, publish, make available, re-produce, sub-licence, transfer, rent, lend, re-circulate, repackage, disclose, display or make commercial use of the Broker's website, any of the Elements or any of the materials provided by us in relation to the Agreement (either in whole or in part);
- (g) download or copy your account information other than if required to do so by law or for personal use in accordance with the provisions of the Agreement;
- (h) download or copy account information relating to any other Client;
- (i) carry out any data collection, or use data mining, screen-scraping, optical recognition software, image makers, robots or any other similar or like data gathering and extraction tools on the Broker's website or the Elements;
- (j) use any software, algorithm, robot, applications, tools, codes or computer or electronic devices or equipment on the Broker's website for non-human and/or high frequency trading;
- (k) make use of the Broker's website or any of the Elements for automated purposes;

- (l) knowingly introduce any software viruses, trojans, worms, logic bombs, time bombs, "back doors" or back door devices, "drop dead devices", malware, or any other material, software or code which:
  - (i) is or is likely to be malicious or technologically harmful, destructive, or disabling or anything analogous to the foregoing to the Broker's website or any of the Elements;
  - (ii) damages, disrupts, impairs, erases or adversely affects the normal operation of the Broker's website or any of the Elements;
  - (iii) assists in or enables theft or alteration of data or content from the Broker's website or any of the Elements; or
  - (iv) provides unauthorised access to the Broker's website or any of the Elements.
- (m) permit or cause unauthorised access or attempt to gain unauthorised access to the Broker's website or any of the Elements, including the server on which the Broker's website or any of the Elements is stored or any server, computer or database connected to the Broker's website or any of the Elements;
- (n) attack the Broker's website via a denial-of-service attack or a distributed denial-of-service attack; or
- (o) do, or permit, any act or thing (or omit to do any act or thing) analogous to any of the foregoing,

We will not be liable for any Loss or damage caused by a distributed denial-of-service attack, viruses or other technologically harmful material that may infect your computer equipment, computer programs, data or other proprietary material due to your use of the Broker's website or to your downloading of any material posted on it, or on any Broker's website linked to it.

30.4 The Client is responsible to the Broker for the consequences of any unauthorised disclosure or use of the Security Information or where biometric information of someone other than the Client has been registered to unlock a device through which it is possible to trade on the Trading Account.

### 31. Online trading rules

- 31.1 A Client is only permitted to access the Online Service, using the Security Information.
- 31.2 The Broker is entitled to rely on all instructions given by, on behalf of, or apparently on behalf of, the Client using the Security Information. Despite any other provision of this Agreement, the Broker is not liable for any Loss caused by the Broker acting on instructions or other communications using the Security Information.
- 31.3 The Client must not place an Order through the Online Service if:
  - (a) in respect of an Order to purchase, there are not sufficient cleared funds to settle the purchase;
  - (b) in respect of an Order to sell, the Client does not own the relevant securities or other financial products and have them available to sell, or

otherwise have a presently exercisable and unconditional right to vest them in a buyer;

- (c) any resulting Transaction would not result in a change in beneficial ownership of the securities or other financial products; or
  - (d) that Order would contravene clause 6.6.
- 31.4 The Broker may at any time withdraw or restrict the Client's or any Authorised Agent's access to the Online Service.

### 32. Additional trading rules for Automated Order Processing

- 32.1 The Client may place Orders through the Automated Order Processing facility which is part of the functionality of the Online Service. The Client is solely responsible for placing Orders and for all errors made in placing Orders through the Automated Order Processing facility.
- 32.2 An Order placed through the Automated Order Processing facility will only be taken to have been authorised by the Broker at the time the Broker accepts the order for Automated Order Processing, and not before that time.
- 32.3 If the Client wishes to amend or cancel an Order placed through the Automated Order Processing facility, the Client must give the Broker specific instructions for the amendment or cancellation of that order.
- 32.4 If an Order has been partially filled before it is cancelled, the Client is responsible for settling that part of the Order which has been filled.

### 33. Electronic communications

- 33.1 The Client agrees not to contest the validity or enforceability of any electronic communications between the Client and the Broker.
- 33.2 If a failure, interruption or malfunction of electronic communication between the parties prevents an Order from being placed, cancelled or amended, without limiting clause 25, neither party shall be liable to the other party for any Loss caused by that failure, interruption or malfunction.
- 33.3 The Client acknowledges that, in using the Online Service:
  - (a) there may be delays in the dissemination of market information or in processing an order or instruction to amend or cancel an Order;
  - (b) an Order may be wholly or partly filled before an instruction for its amendment or cancellation is processed;
  - (c) the Client remains liable for the original Order until any relevant amendment or cancellation is effected in the trading facility of the Exchange; and
  - (d) without limiting clause 25, the Broker will not be liable for any Loss incurred by the Client arising from any delay in the dissemination of market information or the processing of any Order or instruction to amend or cancel an Order.

- 33.4 The Client acknowledges that the speed of information provided through the Online Service is subject to a number of factors including, but not limited to, the speed of the user's internet connection, the user's settings, the number of concurrent users accessing the Online Service and the volume of information being received and sent by the Online Service.
- 33.5 Orders placed through the Online Service will be executed at the market price available on the Exchange (subject to any limit specified in the Order). The Client acknowledges that:
- (a) the market price may move and be different from the price at which the security or other financial product was trading when the Order was placed by the Client through the Online Service; and
  - (b) the Broker is not liable for any Loss incurred by the Client by reason of any such movement in market price.

### C. CONDITIONAL ORDERS

The terms and conditions in this Part C apply if the Broker allows the Client to use its Conditional Order service. The Client is taken to have agreed to the terms and conditions in this Part C when the Client or an Authorised Agent next places a Conditional Order with the Broker.

#### 34. Placing a Conditional Order

When placing a Conditional Order, the Client acknowledges and agrees that:

- (a) the Broker is not obliged to accept the Conditional Order, and is not obliged to provide any reason to the Client for not accepting the Conditional Order;
- (b) the Client must specify the Specified Instruction;
- (c) the Conditional Order is not valid until the Broker has informed the Client that the Broker has accepted the Conditional Order; and
- (d) the Conditional Order remains valid in the event of a trading halt in respect of the relevant financial product, unless the Exchange purges orders for the relevant financial product.

#### 35. Variation or cancellation of a Conditional Order

- 35.1 The Broker may cancel a Conditional Order which relates to a financial product:
- (a) in circumstances contemplated under clause 8.1; or
  - (b) if orders in respect of that financial product are purged from the market by the Exchange, for example, if:
    - (i) the financial product goes ex-dividend;
    - (ii) the financial product becomes subject to a reconstruction of capital such as a share split or consolidation; or
    - (iii) the issuer of the financial product announces a rights issue.

- 35.2 The Client may request the Broker to vary, cancel or reinstate a Conditional Order. Any request for a variation, cancellation or re-instatement of a Conditional Order will be treated as a new Conditional Order for the purposes of this Agreement.
- 35.3 The Broker may charge a fee for a cancellation, variation or reinstatement of a Conditional Order.

#### 36. Linked Orders

- 36.1 The Broker may in its absolute discretion allow the Client to place Linked Orders.
- 36.2 A Linked Order will only become active when the previous Order that it is linked to has been completely filled. If the previous Order is only partially filled, any subsequent Linked Orders will not be activated.
- 36.3 If the Client or the Broker cancels an Order which has subsequent Linked Orders linked to it, the Order and all subsequent Linked Orders will be cancelled. If any Order has been partially filled before it is cancelled, the Client is responsible for settling that part of the Order that has been filled.

#### 37. One Cancels the Other Orders

- 37.1 The Broker may in its absolute discretion allow the Client to place a pair of One Cancels the Other Orders.
- 37.2 Where a Client has placed a pair of One Cancels the other Orders, when one Order of the pair has been triggered the other Order in the pair will be cancelled.

#### 38. Triggering a Conditional Order

- 38.1 The Broker will use its reasonable endeavours to place an order arising from a Conditional Order in accordance with the Specified Instructions on or as soon as practicable following the occurrence of the relevant Trigger for that Conditional Order. However, the Broker reserves the right to review an Order that results from a triggered Conditional Order and to refuse to place that Order on the market in certain circumstances including (but not limited to) one or more of the following:
- (a) if the basis for quotation for the financial product has changed and the Client has not varied the Client's Conditional Order;
  - (b) if the financial product has been subject to a trading halt and the Client has not varied the Client's Conditional Order;
  - (c) if the Broker believes that the Client's instructions are ambiguous, incomplete or unclear; or
  - (d) if the Broker believes that the instruction may contravene this Agreement or another agreement between the Broker and the Client, the Corporations Act, the Rules or may result in an unfair or disorderly market.

- 38.2 If the Conditional Order is a sell Order and a Trigger occurs, the Broker will only place the Order in respect of that number of financial products which the Broker controls in respect of a CHESS Holding of the Client. The Client will be taken to have represented to the Broker that the Order, as submitted, constitutes a long sale for the purposes of clause 15. To the extent that the Conditional Order related to a larger number of financial products, the balance of the Conditional Order will be cancelled.
- 38.3 If the Conditional Order is a buy Order and a Trigger occurs, the Broker will only place the Order in accordance with the Specified Instructions where the full amount required by the Broker to settle the Transaction for the purchase of financial products, together with all brokerage, taxes, costs, duties and charges in respect of that Transaction, is available for use in the Settlement Account of the Client, at the time the Trigger occurs.
- 38.4 If at the time the Trigger occurs, the full amount required by the Broker to settle the Transaction together with all brokerage, taxes, costs, duties and charges in respect of that Transaction, is not available for use in the Settlement Account of the Client, the Broker may place the Order in respect of that number of financial products which, excluding all brokerage, taxes, costs, duties and charges in respect of that Transaction, is equal to the value of approximately 90% of the available balance of the Settlement Account of the Client (or such other percentage as determined by the Broker), at the time the Trigger occurs.
- 38.5 If a Trigger specifies price as the criteria for the Trigger, and that criteria is satisfied in the closing price auction effected by an Exchange under the Rules, the Trigger will be deemed not to have occurred and no Order for the financial products will be placed by the Broker as a result of the criteria having been satisfied in the closing price auction.
- 38.6 The Client acknowledges that where multiple Conditional Orders are received, each with the same or similar Trigger conditions, and a Trigger occurs in respect of the Conditional Orders, the Orders will be placed into the market as expeditiously as possible, however the placement into the market, and the resulting allocation of the Orders, may not necessarily be in the same order as the Orders were placed or created.
- 38.7 The Client acknowledges that an error, failure, delay or malfunction in the Broker's systems or the Exchange Systems may result in an order not being entered in accordance with the terms of the Conditional Order. For example, a Conditional Order may not be triggered if the relevant Trigger occurred during an error, failure, delay or malfunction in the Broker's systems or the Exchange Systems. The Broker may cancel a Conditional Order where there has been a system error, failure, delay or malfunction.

## D. TRADING IN DERIVATIVES PRODUCTS

The terms and conditions in this Part D apply to Derivatives Transactions where the Broker accepts the Client's application to deal in exchange traded options or other exchange traded derivatives (other than Warrants) ('Derivatives Products').

A term used in this Part D which is defined in the ASX Clear Rules has the meaning given in the ASX Clear Rules. If the Client requires a copy of these definitions, please contact the Broker.

### 39. Application of Rules

- 39.1 The Client and the Broker agree that the terms of their relationship in respect of Derivatives CCP Contracts and any dealings between them concerning Derivatives CCP Contracts are subject to, and that they are bound by the Corporations Act, the Rules, and the procedures, customs, usages and practices of ASX Clear and its related entities, as amended from time to time in so far as they apply to, Derivatives CCP Contracts.

### 40. Client documentation and acknowledgements

- 40.1 The Client acknowledges that they have read and understood the documents (if any) given to them by the Broker as may be required by the Rules.
- 40.2 The Client acknowledges that Derivatives Transactions give rise to a risk of loss as well as a potential for gain.
- 40.3 The Client acknowledges that the Client has given consideration to the Client's objectives, financial situation and needs and has formed the opinion that dealing in Derivatives Transactions is suitable for the Client's purposes.
- 40.4 The Client agrees not to breach, either alone or in concert with others, any position or exercise limits imposed by an Exchange or ASX Clear under their respective Rules or of which the Broker otherwise notifies the Client.
- 40.5 The Client acknowledges that they may only enter into Derivatives Transactions if they are not a U.S. person as that term is defined in Rule 902(k) of Regulation S under the Securities Act 1933 (United States).

### 41. Authority

- 41.1 The Client acknowledges that when the Client enters into Derivatives Transactions, the Client is either:
- (a) acting as principal; or
  - (b) acting as intermediary on another's behalf and are specifically authorised to enter into Derivatives Transactions, by the terms of:
    - (i) an Australian Financial Services Licence held by the Client;
    - (ii) a trust deed (if the Client is a trustee); or
    - (iii) an agency contract.

#### **42. Nature of the Broker's obligations**

42.1 Notwithstanding that the Broker may act in accordance with the instructions of, or for the benefit of, the Client in relation to Derivatives Transactions, the Client acknowledges that any Derivatives Transaction arising from any order submitted to an Exchange is entered into by the Broker as principal.

42.2 Upon registration of a Derivatives Transaction with ASX Clear in the name of the Broker (at which time a Derivatives CCP Contract is created for each contract the subject of the Derivatives Transaction), the Client acknowledges that the Broker incurs obligations to a ASX Clear as principal, even though the Broker may have entered into the Derivatives Transaction on the Client's instructions.

#### **43. Rights of client**

The Client acknowledges that any benefit or right obtained by a Broker upon registration of a Derivatives Transaction with ASX Clear by novation of a contract under the ASX Clear Rules or any other legal result of registration is personal to the Broker and the benefit of that benefit, right or legal result does not pass to the Client. The Client has no rights, whether by way of subrogation or otherwise, against an Exchange or ASX Clear in relation to any transactions by the Broker in the Derivatives Transactions.

#### **44. Dealing as principal**

Without limiting clause 19, the Client acknowledges that the Broker may, in certain circumstances, be permitted under the Corporations Act and the Rules, take the opposite position in a Derivatives Transaction, either acting for another client or on its own account.

#### **45. Client funds and property**

45.1 The Broker must deal with any money and property paid or given to the Broker in connection with Derivatives Transactions in accordance with the Corporations Act and the Rules. The Client acknowledges that the Client's monies and the monies of other clients of the Broker may be combined and deposited by the Broker in a trust account or clients' segregated account. The Client acknowledges that all monies credited to the clients' segregated account maintained by the Broker may be used by the Broker to meet the default of any client of the Broker.

45.2 The Client agrees to maintain cleared funds in the Client's Cash Account for such sum as shall from time to time be required to settle the Client's obligations or such other sum as may otherwise be required by the Broker.

#### **46. Deposits and margins**

46.1 The Broker may call for payment of money by the Client or the provision of other security by the Client, which the Broker considers, in its absolute discretion, appropriate in connection with the obligations

incurred by the Broker in respect of Derivative Transactions entered into on the Client's account.

46.2 The Client becomes liable to provide to the Broker for:

- (a) any initial margin which ASX Clear requires from the Broker under the ASX Clear Rules in respect of any Derivatives Transaction at the time the transaction is entered into, regardless of when a call is made by the Broker under clause 46.1; and
- (b) any variation margin which ASX Clear requires from the Broker under the ASX Clear Rules in respect of any Derivatives Transaction at the time the Broker becomes liable to pay that amount to ASX Clear, regardless of when or whether a call is made by the Broker under clause 46.1.

46.3 The time by which the Client must pay any amount called under clause 46.1 or provide security is of the essence. The Client must pay the amounts called, or provide the relevant security, within 24 hours of the call for payment.

46.4 The Broker may, in its absolute discretion, vary its own initial margin and variation margin requirements, provided that the Broker calls the minimum amounts required by ASX Clear.

46.5 It is important that you monitor your margin requirements, as they vary daily and must be covered at all times. You are responsible for managing your Account and having sufficient collateral readily available to support open positions. If the Client fails to meet the call or lodge security, or provide evidence as determined by the Broker in its sole discretion of their ability to meet margin as required under this clause 46, then the Broker may, without prejudice to any other rights or powers under this Agreement and in its absolute discretion (but is not obliged to) close out, without notice, all or some of the Client's positions in Derivative Products.

46.6 The Client authorises the Broker to withdraw or otherwise apply funds or financial products held on the Client's behalf by the Broker, or funds in the Settlement Account, to partially or fully satisfy any call under clause 46.1.

46.7 The Broker reserves the right to conduct daily stress tests on Client positions. The Broker may alter the Client's margin requirements at any time and in its sole discretion. Where the Client fails to provide adequate security, the Broker may in its absolute discretion, close out, without notice, all or some of the Client's positions in Derivative Products.

46.8 The Client's liability for calls under clause 46.1 is not limited to the amount, if any, deposited with the Broker or in the Settlement Account.

#### **47. Cover**

47.1 If the Client lodges any Cover with the Broker at any time, the Client represents and warrants to the Broker that:

- (a) the Client is the beneficial owner of that Cover; and

- (b) the Client's title to the Cover has not been restricted or limited in any way.
- 47.2 The Client authorises the Broker to make any financial products lodged with, or otherwise held by, the Broker available to ASX Clear as Cover.
- 47.3 The Client must not, without the prior consent of the Broker:
  - (a) sell or dispose of the Cover;
  - (b) create or allow to exist a security interest over, or any other interest in, the Cover or this Agreement; and
  - (c) assign or transfer all or any part of its rights in, or obligations under, the Cover or this Agreement.
- 47.4 The Client agrees that no interest is payable on any Cover provided to the Broker.

**48. Equitable mortgage of Collateral**

- 48.1 If the Client has lodged uncertificated financial products as Collateral, the Client authorises the Broker to effect a reservation of those financial products in the Broker's name or in the name of ASX Clear in a CHESSE Holding in accordance with the ASX Settlement Rules.
- 48.2 Upon lodgement of financial products with the Broker under clause 48.1 until ASX Settlement reserves those financial products in a subposition (in accordance with the ASX Settlement Rules), the financial products will be subject to an equitable mortgage from the Client to the Broker.
- 48.3 The Client authorises the Broker to effect a release of the financial products from the subposition at any time in accordance with the ASX Settlement Rules. Upon such release, the financial products will again be subject to an equitable mortgage from the Client to the Broker.
- 48.4 The equitable mortgage created under clauses 48.2 and 48.3 will secure:
  - (a) any initial margin or variation margin obligations that arise in respect of the Trading Account; and
  - (b) any amount which is owed by the Client to the Broker as a result of a Default.
- 48.5 If new rights arise in relation to the Collateral lodged under this clause 48, the rights are to be held, renounced and transferred on the same basis under this Agreement as the financial products in the relevant CHESSE Holding and will become subject to an equitable mortgage in favour of the Broker.
- 48.6 If there is a Default, then the Broker may deal with the Collateral and rights or interests attaching to the Collateral in accordance with the terms of this Agreement.
- 48.7 The Broker will release the equitable mortgage granted under this clause 48 in respect of any or all Collateral upon satisfaction of the Client's obligations under this Agreement.

**49. Collateral to be sponsored by the Broker**

- 49.1 The Client must appoint the Broker as their Controlling Participant for the purposes of CHESSE in relation to financial products that are to be lodged with the Broker as Collateral from time to time.
- 49.2 All Collateral the Client lodges with the Broker will be subject to the Sponsorship Agreement.
- 49.3 In registering financial products with the Broker as Collateral, the Client acknowledges and agrees that:
  - (a) the Collateral will be subject to a fixed charge ("Charge") in favour of ASX Clear from the time they are reserved to ASX Clear and will remain subject to the Charge until ASX Clear permits the financial products to be withdrawn;
  - (b) the Charge secures all amounts and obligations owing by the Broker to ASX Clear in connection with the Client's Trading Account;
  - (c) they have read and understood the ASX Clear Rules and ASX Settlement Rules, in so far as those rules relate to the Collateral and the Charge, including ASX Clear's power to deal with the Collateral on default by the Broker in respect of the Client's Trading Account and in particular, the ASX's power of sale in relation to the Collateral without notice to the Client;
  - (d) the Client acknowledges and agrees that unless ASX Clear otherwise agrees in writing, the Collateral is not and may not be subject to any other security interest, other than a security interest provided to a margin lender, which provides that the Charge in favour of ASX Clear has priority over the margin lender's security interest or a security interest as permitted under the ASX Clear Rules or ASX Settlement Rules; and
  - (e) financial products held as Collateral will only be released by ASX Clear if replacement Cover is provided, which may impact settlement obligations and/or the ability to participate in certain corporate actions, such as buy back offers.

**50. Default**

- 50.1 Each of the following constitutes a Default:
  - (a) the Client breaches, whether by act or omission, a term of this Agreement;
  - (b) the Client fails to pay, or provide security for, amounts payable to the Broker;
  - (c) the Client fails to pay the amounts due in respect of a Derivatives CCP Contract;
  - (d) the Client fails to perform any obligation arising pursuant to the exercise or settlement of a Derivatives CCP Contract;
  - (e) the Client fails to fulfill any settlement obligations in respect of a Transaction under this Agreement.
  - (f) a guarantee lodged by the Client, or lodged by a third party at the request of the Client, in

favour of the Broker or ASX Clear is withdrawn without the consent of the Broker or becomes ineffective and other replacement security acceptable to the Broker is not provided;

- (g) the Client makes any representation that is incorrect or misleading in any material way, with the result that Loss is, or is likely to be, incurred by the Broker and/or ANZ;
- (h) the Broker believes that the Client may not be able to meet its obligations to the Broker in respect of one or more Derivative CCP Contracts, including, without limitation, strict compliance with any time limits;
- (i) the Client becomes bankrupt;
- (j) the Client enters into a composition or scheme of arrangement for the benefit of creditors;
- (k) the Client, if a company, goes into liquidation, voluntarily or otherwise (except for the purpose of reconstruction), or the Client or another person appoints a liquidator, receiver, administrator or official manager in respect of the Client or its assets;
- (l) the Client, if a natural person, dies or become of unsound mind or if the Client or the Client's estate is liable to be dealt with in any way under any law relating to mental health;
- (m) the Client imposes a moratorium on payments to creditors or ceases, or threatens to cease, carrying on business;
- (n) in the absence of making alternative arrangements, the Client is not contactable by the Broker within 24 hours in order for the Broker to obtain instructions in relation to any Derivatives CCP Contracts registered in the Client's Trading Account; or
- (o) any other event occurs which the Broker and the Client have agreed constitutes a Default.

50.2 If a Default occurs, the Broker may, in addition to any other rights which the Broker may have against the Client (including rights in other Parts of this Agreement), without giving prior notice to the Client, take any action, or refrain from taking action, which it considers reasonable in the circumstances in connection with Derivatives CCP Contracts registered in the Client's Trading Account and, without limitation, the Broker may:

- (a) enter into one or more transactions to effect the close out of one or more Derivatives CCP Contracts in accordance with the ASX Clear Rules;
- (b) exercise one or more Derivatives CCP Contracts in accordance with the ASX Clear Rules;
- (c) abandon any one or more Derivatives CCP Contracts not yet exercised;

- (d) cover in whole or in part open positions by entering into further Derivatives CCP Contracts;
- (e) take any other action a reasonably prudent broker might take in the circumstances to protect the Broker's personal obligation incurred when dealing on the Client's behalf;
- (f) sell (or arrange for the sale of) any or all of the Client's property (including, but not limited to any Collateral lodged with ASX Clear or the Broker, any property that is sponsored by the Broker in a CHES Holding or held by the Broker), in accordance with the terms of this Agreement and apply the proceeds towards satisfaction of monies owing by the Client to the Broker;
- (g) apply any Cash Cover or other monies that the Client has deposited with ASX Clear or the Broker by way of set-off; or
- (h) exercise any other rights conferred by the Rules or this Agreement or perform any other obligations arising under the Rules or this Agreement in respect of those Derivatives CCP Contracts.

In respect of any action which the Broker takes, or refrains from taking under this clause 50.2, the Client must account to the Broker as if the Broker took, or refrained from taking, the action on the instructions of the Client and, without limitation, the Client is liable for any deficiency and is entitled to any surplus which may result.

50.3 The Broker may sell (or arrange for the sale of) any Collateral:

- (a) either by public auction, private treaty or tender;
- (b) for cash or on credit;
- (c) in one lot or in parcels;
- (d) with or without special conditions or stipulations as to title or time or mode of payment or purchase money or otherwise;
- (e) with power to allow the whole or any part of the purchase money to be deferred (whether with or without any security);
- (f) whether or not in conjunction with the sale of any property to any person; and
- (g) upon such other terms and conditions as the Broker may consider appropriate.

The Broker is not liable for any Loss occasioned by a sale of the Collateral.

50.4 Upon any sale purporting to be made in the exercise of the powers conferred by this Agreement or otherwise, no purchaser will be:

- (a) bound to ask whether any default has been made or otherwise as to the propriety or regularity of any sale; or
- (b) affected by express notice that any such sale is unnecessary or improper.

Despite any irregularity or impropriety in any such sale, the sale will be deemed to be authorised by such powers, as regards the protection of the purchaser or other party to any such dealing or disposal, and will be valid accordingly.

### **51. Appointment of ASX Clear and its directors and managers as agent**

The Client irrevocably appoints severally ASX Clear, and every director, manager and assistant manager for the time being of ASX Clear, at the option of ASX Clear to do all acts and execute all documents on the Client's behalf for the purpose of exercising the powers conferred on ASX Clear under the ASX Clear Rules including, without limitation, the power to transfer or close out Derivatives CCP Contracts if the Broker commits an event of default under the ASX Clear Rules.

### **52. Right to refuse to deal**

The Client acknowledges that the Broker may at any time refuse to deal in, or may limit dealings in, Derivatives Products for the Client. The Broker is not required to act in accordance with the Client's instructions where to do so would constitute a breach of the Rules or the Corporations Act. The Broker will notify the Client of any refusal or limitation as soon as practicable.

### **53. Termination of Part D of this Agreement**

Upon termination of this Part D in accordance with clause 22 of this Agreement, the Broker will close out all Derivatives CCP Contracts held by the Broker and registered in the Client's Trading Account, unless, in accordance with a direction from the Client, the registration of those Derivative CCP Contracts is transferred to another Broker in accordance with the Rules. Termination does not affect the existing rights and obligations of the Client or the Participant prior to termination.

### **54. Revised terms prescribed by an Exchange or ASX Clear**

- 54.1 If an Exchange or ASX Clear prescribes amended minimum terms for a Client Agreement for Derivatives Transactions for the purposes of the Rules (New Terms), to the extent of any inconsistency between the terms in this Part D and the New Terms, the New Terms will override the terms of this Part D and apply as if the Client and the Broker had amended this Agreement to include the New Terms.
- 54.2 The Broker will provide a copy of the New Terms to the Client as soon as practicable after an Exchange or ASX Clear prescribes the New Terms.

### **55. Change of Participant**

- 55.1 If the Client receives a Participant Change Notice from the Broker and the Participant Change Notice was received at least twenty (20) Business Days prior to the date proposed in the Participant Change Notice for the change of Participant, the Client is under no obligation to agree to the change of Participant, and may choose to

do any of the things set out in clauses 55.2 or 55.3.

- 55.2 The Client may choose to terminate this Part D in accordance with clause 53 or by giving instructions to the Broker, indicating that the Client wishes to transfer its Derivatives CCP Contracts to another Participant.
- 55.3 If the Client does not take any action to terminate this Part D and does not give any other instructions to the Broker which would indicate that the Client does not agree to the change of Participant then, on the Effective Date, this Part D will have been taken to be novated to the new Participant and will be binding on all parties as if, on the Effective Date:
- (a) the new Participant is a party to this Part D in substitution for the Broker;
  - (b) any rights of the Broker are transferred to the new Participant; and
  - (c) the Broker is released by the Client from any obligations arising on or after the Effective Date.
- 55.4 The novation in clause 55.3 will not take effect until the Client has received notice from the new Participant confirming that the new Participant consents to acting as the Participant for the Client. The Effective Date may as a result be later than the date set out in the Participant Change Notice.
- 55.5 The Client will be taken to have consented to the events referred to in clause 55.3 by the doing of any act which is consistent with the novation of this Part D to the new Participant (for example by giving an instruction to the new Participant), on or after the Effective Date, and such consent will be taken to be given as of the Effective Date.
- 55.6 Part D continues for the benefit of the Broker in respect of any rights and obligations accruing before the Effective Date and, to the extent that any law or provision of any agreement makes the novation in clause 55.3 not binding or effective on the Effective Date, then this Part D will continue for the benefit of the Broker until such time as the novation is effective, and the Broker will hold the benefit of this Part D on trust for the new Participant.
- 55.7 Nothing in clause 55 will prevent the completion of Derivatives Transactions and Derivatives CCP Contracts by the Broker where the obligation to complete those transactions arises before the Effective Date and this Part D will continue to apply to the completion of those transactions, notwithstanding the novation of this Part D to the new Participant under this clause 55.

## **E. WARRANT AGREEMENT**

The terms and conditions in this Part E apply where the Client instructs the Broker to deal in Warrants.

### **56. Acknowledgements by Client**

The Client acknowledges the following in relation to any Transactions in respect of Warrants:

- (a) that they have read and understood the documents (if any) given to them by the Broker as may be required by the Rules;
- (b) that the Client is aware that a Warrant has a limited life and cannot be traded after its

expiry date;

- (c) that the Client is aware that Warrants do not have standardised terms of issue and acknowledges that it is the responsibility of the Client to become aware of the terms of issue of any Warrant in which the Client chooses to invest;
- (d) that the Client is aware that Warrants may be subject to adjustments after their initial issue and it is the responsibility of the Client to become aware of any adjustments which may have been made to any Warrant in which the Client chooses to invest;
- (e) that the Client is aware that admission to trading status of a Warrant does not imply that an Exchange or SEGC gives any guarantee or warranty as to the viability of the Warrant-issuer or any Guarantor; and
- (f) The Client acknowledges that the failure of the Warrant-issuer or the guarantor (if applicable) to fulfil their obligation does not give rise to a Claim against an Exchange, handling Market Participants or SEGC.

## F. DEALING IN PARTLY PAID SECURITIES

The terms and conditions in this Part F apply to Transactions relating to Partly Paid Securities, as defined below.

### 57. Meaning of Partly Paid Security

In this Part F, a Partly Paid Security means a financial product quoted on an Exchange for which the holder may be liable to pay a call or instalment in accordance with the terms of issue and for which an amount remains unpaid, but does not include a quoted product issued by a no liability company or a Derivatives Product.

### 58. Acknowledgements by Client

If the Client instructs the Broker to deal in Partly Paid Securities on the Client's behalf, the Client acknowledges and agrees that the following terms apply in respect of those dealings:

- (a) the Client is aware that a Partly Paid Security is a financial product which may require the Client to make a further payment or payments at some time in the future;
- (b) the Client is aware that it is the Client's responsibility to obtain and read a copy of any prospectus, product disclosure statement or information memorandum issued by an issuer which sets out the particular features of, and rights and obligations attaching to, a Partly Paid Security before the Client places an Order to buy a Partly

Paid Security;

- (c) the Client is aware that the Client may be liable for further payments on a Partly Paid Security and that a failure to make a further payment by the specified date(s) may result in an issuer of a Partly Paid Security or their associates or agents taking action, including legal action, against the Client to recover the outstanding payments and/or may result in the forfeiture of my entitlement to the Partly Paid Security;
- (d) the Client is aware that in certain circumstances the Client may be liable to make a further payment on a Partly Paid Security despite the fact that the Client may have disposed of a Partly Paid Security prior to the date that a further payment falls due;
- (e) the Client is aware that the Client should monitor announcements made by the issuer of a Partly Paid Security and that it is the Client's responsibility to inform itself/themselves of the date or circumstances that a further payment falls due and the last day that the Client can dispose of the Partly Paid Security before the Client is liable for a further payment;
- (f) the Client is aware that the amount of a further payment may be unrelated to the financial performance of a Partly Paid Security and that the amount of the further payment may exceed the intrinsic value of a Partly Paid Security at the time a further payment falls due; and
- (g) the Client acknowledges that an obligation on the Client in relation to a Partly Paid Security, including an obligation to make a further payment, does not give rise to a claim against an Exchange or the SEGC.

## G. CHESS SPONSORSHIP AGREEMENT

The terms and conditions in this Part G apply if the Client wishes to appoint the Broker as its Controlling Participant to establish and control CHESS Holdings of financial products for the Client in CHESS.

### 59. Interpretation

A term used in this Part G (also referred to as the Sponsorship Agreement) which is defined in the ASX Settlement Rules has the meaning given in the ASX Settlement Rules. If the Client requires a copy of these definitions, please contact the Broker.

### 60. Acknowledgements by Client

- 60.1 The Client acknowledges that before agreeing to be bound by this Sponsorship Agreement, the Client:
  - (a) had the opportunity to view the terms and conditions of this Sponsorship Agreement;
  - (b) was provided with a written explanation of the effect of this Sponsorship Agreement;
  - (c) understood the effect of this Sponsorship Agreement; and
  - (d) was provided with telephone contact details

which enabled the Client to obtain an explanation of the effect of the Sponsorship Agreement from the Broker.

- 60.2 The Client acknowledges that if a transfer of financial products is taken to be effected by the Broker under Section 9 of the ASX Settlement Rules and the source holding for the transfer is a CHES Holding under the Sponsorship Agreement, then the Client may not assert or Claim against ASX Settlement or the relevant issuer that the transfer was not effected by the Broker or that the Broker was not authorised by the Client to effect the transfer.

#### **61. Broker's and Client's rights and obligations**

- 61.1 The Client appoints the Broker as its Controlling Participant with respect to the Client's CHES Holding, and authorises the Broker to do any act in accordance with the ASX Settlement Rules for the purposes of:
- (a) performing its obligations;
  - (b) acting as Controlling Participant or agent in relation to that Holding; and
  - (c) converting the mode of holding of the relevant financial products.
- 61.2 Where the Client authorises the Broker to buy financial products, the Broker is not obliged to transfer financial products into the CHES Holding of the Client until payment for those financial products has been received.
- 61.3 If the Client has not paid for the purchase of financial products and the Broker has made a demand that the Client pays for the financial products, the Broker may sell those financial products at the Client's risk and expense (including brokerage and GST).
- 61.4 If the Broker claims that an amount lawfully owed to it by the Client has not been paid, the Broker may refuse to comply with the Client's Withdrawal Instructions. The Broker may only refuse to the extent necessary to retain financial products with a value equal to 120% of the current market value of the amount claimed, in the Client's CHES Holding.
- 61.5 Subject to clauses 61.3 and 61.4 the Broker will initiate any Transfer, Conversion or other action necessary to give effect to Withdrawal Instructions within two (2) Business Days of the date of the receipt of the Withdrawal Instructions.
- 61.6 The Broker will not initiate any Transfer or Conversion into or out of the Client's CHES Holding without the express written authority of the Client.
- 61.7 The regulatory regime which applies to the Broker includes the Corporations Act,

and the Rules. The Client can obtain information as to the status of the Broker under these regulatory regimes from the relevant regulatory authorities, including ASIC, ASX, Chi-X, SSX, ASX Clear and ASX Settlement. The Client may lodge a complaint against the Broker or any Claim for compensation with these regulatory authorities.

#### **62. Information**

The Client must supply all information and supporting documentation which is reasonably required to permit the Broker to comply with the registration requirements, as are in force from time to time, under the ASX Settlement Rules.

#### **63. Exchange Traded Options, pledging and sub-positions**

- 63.1 Where the Client informs the Broker of an arrangement with ASX Clear to lodge financial products in its CHES Holding as Cover under the ASX Clear Rules, and informs the Broker of the arrangement the Client:
- (a) authorises the Broker to reserve the financial products in Sub-position so that the financial products come under the control of ASX Clear and are subject to the security interest granted in favour of ASX Clear to secure performance by the relevant Clearing Participant of its obligations to ASX Clear under and in accordance with the ASX Clear Rules 14.6.7;
  - (b) authorises any subsequent dealing (including, without limitation, any transfer) of the reserved financial products in accordance with the Rules and ASX Clear Rules;
  - (c) acknowledges that the financial products will remain subject to that security interest for so long as those financial products remain reserved in Sub-position in accordance with ASX Clear Rules 14.6.7; and
  - (d) authorises the Broker to take whatever other action is reasonably required by ASX Clear in accordance with the ASX Clear Rules and ASX Settlement Rules to give effect to that arrangement.
- 63.2 Where the Client informs the Broker that a charge or any other interest in financial products in the Client's CHES Holding has been given, the Client authorises the Broker to take whatever action is reasonably required by the person in accordance with the ASX Settlement Rules to give effect to or record that interest.
- 63.3 Where the Broker, in accordance with this Agreement or the ASX Settlement Rules, initiates any action which creates a sub-position over financial products in the Client's CHES Holding, the Client acknowledges that the right of the Client to transfer, convert or otherwise deal with those financial products is restricted in accordance with the ASX Settlement Rules relating to Sub-positions.
- 63.4 Nothing in this Sponsorship Agreement operates to override any interest of ASX Clear in the financial products.

#### **64. Fees and indemnities**

- 64.1 The Client will pay all Brokerage fees and associated transactional costs within the period prescribed by the Broker.
- 64.2 The Client indemnifies and must keep the Broker indemnified and held harmless against, and must pay the Broker for any liability, loss, cost (including legal costs on a full indemnity basis), expense, charge, tax or duty suffered, incurred or payable by the Broker in connection with:
- (a) performing its obligations under this Sponsorship Agreement;
  - (b) acting as Controlling Participant or agent in relation to that CHES Holding; or
  - (c) any breach of this Sponsorship Agreement by the Client.

#### **65. Change of Controlling Participant**

- 65.1 If the Client receives a Participant Change Notice from the Broker and the Participant Change Notice was received at least twenty (20) Business Days prior to the date proposed in the Participant Change Notice for the change of Controlling Participant, the Client is under no obligation to agree to the change of Controlling Participant, and may choose to do any of the things set out in clauses 65.2 or 65.3.
- 65.2 The Client may choose to terminate this Sponsorship Agreement by giving Withdrawal Instructions under the ASX Settlement Rules to the Broker, indicating whether the Client wishes to:
- (a) transfer the Client's CHES Holding to another Controlling Participant; or
  - (b) transfer the Client's CHES Holding to one or more Issuer Sponsored Holdings.
- 65.3 If the Client does not take any action to terminate this Sponsorship Agreement in accordance with clause 65.2 above, and does not give any other instructions to the Broker which would indicate that the Client does not agree to the change of Controlling Participant then, on the Effective Date, this Sponsorship Agreement will have been taken to be novated to the New Controlling Participant and will be binding on all parties as if, on the Effective Date:
- (a) the New Controlling Participant is a party to this Sponsorship Agreement in substitution for the Broker;
  - (b) any rights of the Broker are transferred to the New Controlling Participant; and
  - (c) the Broker is released by the Client from any obligations arising on or after the Effective Date.
- 65.4 The novation in clause 65.3 will not

take effect until the Client has received notice from the New Controlling Participant confirming that the New Controlling Participant consents to acting as the Controlling Participant for the Client. The Effective Date may as a result be later than the date set out in the Participant Change Notice.

- 65.5 The Client will be taken to have consented to the events referred to in clause 65.3 by the doing of any act which is consistent with the novation of this Sponsorship Agreement to the New Controlling Participant (for example by giving an instruction to the New Controlling Participant), on or after the Effective Date, and such consent will be taken to be given as of the Effective Date.
- 65.6 This Sponsorship Agreement continues for the benefit of the Broker in respect of any rights and obligations accruing before the Effective Date and, to the extent that any law or provision of any agreement makes the novation in clause 65.3 not binding or effective on the Effective Date, then this Sponsorship Agreement will continue for the benefit of the Broker until such time as the novation is effective, and the Broker will hold the benefit of this Sponsorship Agreement on trust for the New Controlling Participant.
- 65.7 Nothing in clause 65 will prevent the completion of CHES Transactions by the Broker where the obligation to complete those Transactions arises before the Effective Date and this Sponsorship Agreement will continue to apply to the completion of those Transactions, notwithstanding the novation of this Sponsorship Agreement to the New Controlling Participant under clause 65.3.
- 65.8 If the Client wishes to transfer their CHES Holdings (which comprise AQUA Products) to another Controlling Participant, the notice of change will only be accepted if the new Controlling Participant is accredited in accordance with the settlement of AQUA Products.

#### **66. Complaints and compensation**

- 66.1 Except as referred to in this clause 66, no compensation arrangements apply to the Client in relation to this Sponsorship Agreement.
- 66.2 The Client acknowledges that if the Broker breaches the Sponsorship Agreement:
- (a) and the Client makes a Claim for compensation from the Broker, the ability of the Broker to satisfy that claim will depend on the financial circumstances of the Broker;
  - (b) the Client may make a Claim on the Chi-X fidelity fund in the circumstances set out in section 11 of the Chi-X Operating Rules;
  - (c) the Client may make a Claim on the SSX fidelity fund in the circumstances set out in section 9 of the SSX Business Rules;
  - (d) the Client may make a Claim on the

National Guarantee Fund (NGF) for compensation in the circumstances specified under Part 7.5, of Division 4 of the Corporations Act and the Corporations Regulations 2001 (Cth)

- (e) the Client with holdings that comprise AQUA Products may make a Claim under the relevant compensation arrangements; and
- (f) the Client may refer that breach to any regulatory authority, including ASX Settlement. (For more information on the circumstances in which the Client may or may not be eligible to make a Claim on the NGF or for information on the NGF generally, contact SEGC.)

66.3 The Client may lodge a complaint against the Broker or any claim for compensation with ASIC, ASX, Chi-X, SSX, ASX Clear, ASX Settlement or the Australian Financial Complaints Authority.

66.4 The complaints and compensation schemes outlined in this clause, with the exception of the Australian Financial Complaints Authority, do not cover International Securities.

#### **67. Suspension from CHES**

67.1 If the Broker is suspended from CHES participation, then subject to the assertion by the liquidator, receiver, administrator or trustee of that Broker of an interest in financial products controlled by the Broker the Client may within twenty (20) Business Days of ASX Settlement giving Notice of Suspension, give notice to ASX Settlement requesting that any of the Client's CHES Holdings be removed either:

- (a) from the CHES Subregister; or
- (b) from the control of the suspended Broker to the control of another Participant with whom they have concluded a valid Sponsorship Agreement pursuant to ASX Settlement Rule 12.19.10.

If the Client does not give such notice, ASX Settlement may effect a change of Controlling Participant under ASX Settlement Rule 12.19.11 and the Client will be deemed to have entered into a new Sponsorship Agreement with that Participant on the same terms as this Sponsorship Agreement.

Where the Client is deemed to have entered into a Sponsorship Agreement, the new Controlling Participant must enter into a Sponsorship Agreement with the Client within ten (10) Business Days of the change of Controlling Participant.

#### **68. Loss of legal capacity**

68.1 The Client acknowledges that:

(a) in the event of the Client's death or bankruptcy, a Holder Record Lock will be applied to all of the Client's CHES Holdings in accordance with the ASX Settlement Rules unless the Client's legally appointed representative or trustee elects to remove the Client's CHES Holdings from the CHES Subregister; and

(b) in the event of the death of the Client, this Sponsorship Agreement is deemed to remain in operation in respect of the legally appointed representative authorised to administer the Client's estate, subject to the consent of the legally appointed representative, for a period of up to twelve calendar months after the removal of a Holder Record Lock applied pursuant to clause 68.1(a) unless the Client's legally appointed representative or trustee elects to remove the Client's CHES Holdings from the CHES Subregister.

68.2 If the Client is a joint Holder, the Client acknowledges that:

(a) where one of the Holders dies, the Broker will transfer all of the Client's CHES Holdings under the Joint Holder Record into new CHES Holdings under a new Holder Record in the name of the surviving Holder/s, and that this Sponsorship Agreement will remain valid for the new CHES Holdings under the new Holder Record; and

(b) in the event of the bankruptcy of one of the Holders, the Broker will:

- (i) establish a new Holder Record in the name of the bankrupt Client, transfer the interest of the bankrupt Holder into new CHES Holdings under the new Holder Record and request that ASX Settlement apply a Holder Record Lock to all Holdings under that Holder Record (unless the legally appointed representative of the bankrupt Holder elects to remove the CHES Holdings from the CHES Subregister); and
- (ii) establish a new Holder Record in the name/s of the remaining Holder/s and Transfer the interest of the remaining Holders into new CHES Holdings under the new Holder Record.

#### **69. Termination**

69.1 Subject to the ASX Settlement Rules, this Sponsorship Agreement will be terminated under the following circumstances:

- (a) by notice in writing from either the Client or the Broker to the other;
- (b) upon the Broker becoming insolvent;
- (c) upon the termination or suspension of the Broker from CHES Sponsorship; or
- (d) upon the giving of Withdrawal Instructions by the Client to the Broker in accordance with ASX Settlement Rule 7.1.10(c).

69.2 Termination of this Sponsorship Agreement under clause 69.1(a) will be effective upon receipt of Notice by the other party.

69.3 Termination of this Sponsorship Agreement does not affect the existing rights and obligations of the Client or

the Broker at termination, and does not terminate any other Part of this Agreement.

#### **70. Variation**

- 70.1 The Broker may vary this Sponsorship Agreement by giving the Client written notice of the variation. The Broker must give at least seven (7) Business Days written notice of the variation if, in the reasonable opinion of the Broker, the variation is to remove any inconsistency between this Agreement and the Rules.
- 70.2 Except to the extent clause 70.1 applies, this Sponsorship Agreement may be varied by the Broker giving the Client not less than seven (7) Business Days' notice by electronic mail or by updating the ANZ Share Investing website .

#### **71. Broker's contact details**

The Contact Details for a responsible officer of the Broker who can explain the effect of the Sponsorship Agreement are as follows:

**Email:** service@anzshareinvesting.com

**Phone:** 1300 658 355

**(From overseas:** +61 3 8541 0458)

#### **72. Availability of executed Sponsorship Agreement**

The Broker acknowledges that it is obliged to provide the Client with access to an executed version of the Sponsorship Agreement (which may be an electronic version posted on the Broker's website or emailed to the Client) showing the details of execution, within three (3) Business Days after execution of the Sponsorship Agreement.

### **H. TRADING IN INTERNATIONAL SECURITIES**

The terms and conditions in this Part H apply to International Securities where the Broker accepts the Client's application to enter into International Securities and describes important terms between you and the Broker, in its capacity as the provider of the international share trading, nominee and custody service.

#### **73. Applications and documentation**

- 73.1 The Broker may request additional documentation from the Client including identification, residency and taxation documentation before allowing the Client access to trade International Securities.
- 73.2 The Client authorises the Broker to provide personal information to third parties as required to comply with applicable laws of relevant foreign jurisdictions and to enable the Client to enter into International Securities Transactions.
- 73.3 The Client agrees to be bound by and comply with the procedures, Rules, customs, usages and practices of the relevant International Exchange (which will prevail in the event of any

inconsistency with this Agreement) and the applicable laws of the relevant foreign jurisdiction.

- 73.4 The Broker may, in its absolute discretion refuse to allow the Client to enter into International Securities Transactions including, but not limited to, where the Cash Account is unable to be cash vetted.

#### **74. Service Providers**

- 74.1 The Client appoints the Broker to arrange for execution of trades in International Securities (including associated Currency Conversions) and to provide, or otherwise procure, any associated settlement, nominee and custody services.
- 74.2 The Client acknowledges that the Broker has appointed service providers to perform aspects of its obligations under this Part including, but not limited to, execution, settlement and custodial services in respect of any International Securities.

#### **75. Orders**

- 75.1 The Client may from time to time place Orders with the Broker to enter into International Securities Transactions.
- 75.2 The Broker may, acting reasonably decline or delay instructions provided by the Client at any time. The Broker is not required to provide a reason for its actions. The Broker may decline or delay an instruction in circumstances including but not limited to:
- (a) there are no available International Securities;
  - (b) there is insufficient cleared funds deposited in the Client's Cash Account or the Client's Cash Account has a balance of less than \$100;
  - (c) the Order falls outside terms allowed on the relevant International Exchange;
  - (d) the Order does not meet the minimum Order size of the relevant International Exchange or service provider;
  - (e) the Broker suspects the Order would contravene rules of the relevant International Exchange; or
  - (f) ) the Broker suspects the Order would contravene laws or regulations in any jurisdiction.
- 75.3 Orders may also be cancelled or amended by the relevant International Exchange, the Broker or any third party acting on the Broker's behalf.
- 75.4 The Broker will use its reasonable endeavours to arrange the execution of the Client's Orders. The Client acknowledges that international time differences may lead to delays in execution.
- 75.5 The Client may instruct the Broker to vary or cancel an Order on an International Security. The cancellation or variation will not be completed until the Broker notifies the Client
- 75.6 The Broker will confirm the execution of a Transaction on an International Security.

#### **76. Custodian**

- 76.1 The Client appoints the Broker as its Custodian in respect of International Securities and acknowledges that the Broker will hold a beneficial interest in the International Securities on the Client's behalf. The Client authorizes the Custodian to appoint a Sub-Custodian. The Custodian will, on request, acknowledge the manner in which the International Securities are held.

- 76.2 Legal ownership of International Securities will be in the name of the relevant Sub-Custodian, and the relevant Sub-Custodian's name will appear on the share registry.
- 76.3 The Client acknowledges that the names of the Custodian, the Sub-Custodian and any sub-custodian that the Sub-Custodian appoints, will be named on the Broker's website.
- 76.4 The Client will retain beneficial ownership of their International Securities. The Client's International Securities will be held in an account with other Clients' International Securities. The Client acknowledges that they do not have any legal interest in and may not exercise any voting rights attached to the International Securities and agrees that they will not assert any interest in any International Securities or other products or cash in any way that would prevent the transfer of title.
- 76.5 All communications regarding International Securities will be received by the Custodian or a Sub-Custodian, including notice of shareholders meeting, dividend information and corporate events. The Client acknowledges that the Custodian or Sub-Custodian is not obligated to pass any of this information on to the Client.
- 76.6 A Sub-Custodian may appoint additional sub-custodians to act on their behalf.
- 76.7 The Custodian will ensure that:
- records of the International Securities held on the Client's behalf, including any associated transactions and how, by whom and when they were authorized will be retained; and
  - Appropriately regular verifications for the reconciliation and checking of the International Securities will be conducted.
- 76.8 The Custodian will report to the Client in respect of the International Securities as required by law. The Client may obtain information about the International Securities at any time by accessing the platform or contacting the Custodian.
- 76.9 The Custodian must have in place and maintain adequate arrangements to enable it to provide the service under this Agreement in any contingency for which it should reasonably plan, having regard to the nature, scale and complexity of the Custodian's business.
- 76.10 Subject to any disclosures the Client has agreed to under this Agreement, the Custodian will keep any information of a confidential nature in confidence, apart from any disclosure to ASIC or as permitted by law.
- 76.11 The Custodian is prohibited from taking or granting any charge, mortgage, lien or other encumbrance over, or in relation to, the International Securities held by the Custodian, Sub-Custodian or any sub-custodian appointed by the Sub-Custodian, other than:
- for expenses and outlays made within the terms of this Agreement other than any unpaid fees of the Custodian; or
  - in accordance with the Client's written instructions.
- 76.12 If this Agreement is terminated or the Client is no longer allowed to trade International Securities under this Part H subject to any lien in accordance with this Agreement or any written instructions of the Client, the International Securities held on the Client's behalf must be transferred (at the Client's expense) to the Client or in accordance with the Client's lawful direction within a reasonable time, subject to payment by the Client of all outstanding charges and expenses.
- 76.13 If for any reason the Broker decides not to provide, or an event occurs resulting in the Broker's inability to provide the service relating to trading International Securities, for a continuous period of greater than 60 days, affecting International Securities held on a Client's behalf, the Broker may pay that Client an amount as reasonably determined by the Broker, and in accepting such payment the Client agrees to forfeit any rights to such International Securities, and such payment being subject to any outstanding charges, fees and expenses that may be payable by the Client, which will be deducted from any amount paid under this clause.
- 76.14 The Client acknowledges and agrees that the execution of trades in International Securities may only be held and dealt with as contemplated under this clause 76 and in no circumstance are trades in International Securities convertible to depository or custody receipts.
- 77. Corporate Actions**
- 77.1 The Broker will not notify the Client of any proposed corporate actions, notices of general meetings or annual reports or company announcements on International Securities.
- 77.2 The Broker will not accept any Client's instructions to act on a corporate action.
- 77.3 The Broker is not liable for any failure to act on the Client's behalf in a corporate action.
- 77.4 In the event of a Mandatory Corporate Action in relation to International Securities held by the Client, the Broker will assign the Client to the default position, and where relevant, credit dividends or other payments into the Client's Cash Account or allocate International Securities to the Client's Trading Account.
- 77.5 Where the Client is entitled to a fraction of an International Security following a Mandatory Corporate Action the fraction will be rounded down to the nearest whole number. Any surplus International Securities will be sold and distributed to Clients where possible.

## 78. Fees and Currency Conversions

- 78.1 The Client is liable for the fees associated with entering into International Securities Transactions. These fees may include a foreign exchange spread, conversion fee, custody fee, market fees and market data fees. Fees are further explained in the Financial Services Guide.
- 78.2 When a Client places an Order, the Client will receive an indicative quote for the relevant Currency Conversion. The Currency Conversion will include an additional buffer on buy Orders as displayed on the platform to assume that sufficient funds are available to settle the Transaction in the event of a fluctuation in the exchange rate between the Australian dollar and the relevant international currency. By proceeding with the Order, the Client agrees to the Currency Conversion at an exchange rate which may differ from the indicative quote depending on fluctuations in the market.

78.3 The Client acknowledges that:

- (a) they are unable to enter into an International Security Transaction without a Currency Conversion.
- (b) they are unable to withdraw foreign currency from their Cash Account; and
- (c) the Client's funds may be sent to a third party located in a foreign jurisdiction, where the legal and regulatory protection afforded to Australian funds may not apply.

## 79. Cash Account

79.1 On placement of a buy Order of an International Security, the Client acknowledges that the relevant amount including fees and the Currency Conversion buffer may be 'locked' in the Client's Cash Account. From that time, the Client will not be able to withdraw those 'locked funds'. Only the Broker will be entitled

to use those funds for the purposes of settling the relevant Transaction or as otherwise permitted under this Agreement.

79.2 On execution of a sell Order on an International Security, or any other payment to which the Client is entitled, the Broker will arrange a Currency Conversion where necessary before crediting the converted amount into the Client's Cash Account in AUD.

79.3 Clause 13 of this Agreement will also apply to any failure to settle an International Securities Transaction.

79.4 The Client must maintain a minimum \$100 balance in their Cash Account if the Client is holding any International Securities in their Trading Account.

## 80. Tax

80.1 Where the Client has submitted taxation and residency

documentation, the Broker will withhold tax at the rate applicable under local laws in the jurisdiction in which the International Securities are traded.

80.2 The Client is aware that tax treatment may differ according to personal circumstances and the tax legislation in the relevant jurisdiction for International Securities. The Client may also be liable for other taxes and charges that are not imposed or withheld by us. The Client is solely responsible for the timely payment of such taxes and charges. The Client should seek independent advice if the Client is in any doubt as to what taxes and charges may apply as a result of trading activities.

## 81. Client warranties and acknowledgements

81.1 The Client warrants and represents that:

- (a) all information supplied under clause 73.1 is true, complete and accurate in all respects and the Client will immediately notify the Broker of any change in any information supplied;
- (b) the Client is a resident for taxation purposes of the country noted in their Application Form or if tax residency is not specified, the Client is an Australian resident for tax purposes unless otherwise notified in writing to the Broker;
- (c) the Client is authorised to enter into International Securities Transactions;
- (d) the Client will comply with the procedures, Rules, customs, usages and practices of each relevant International Exchange;
- (e) the Client will not create or assert any security interest or encumbrance over the International Securities;
- (f) the Client will not place any Order in the circumstances outlined in clause 75.2;
- (g) the Client will not place any Order to deal with International Securities on behalf of any third parties unless the Client is authorised to do so by the Broker; and
- (h) the Client will notify the Broker if they become a substantial shareholder in any jurisdiction.

81.2 The Client acknowledges that:

- (i) the Broker provides the services contemplated under this Agreement in Australia and are subject to the laws, rules and regulations of Australia;
- (j) the Broker may at any time cease to trade International Securities and/or International Exchanges. Where the Client holds an International Security that is no longer supported by the Broker, the Broker will provide reasonable notice of the sale of the International Security;
- (k) where an International Security is delisted, or otherwise withdrawn the Broker will endeavour to sell the International Security and credit the proceeds into the Client's Cash Account. The Broker will not be liable for any failure to sell a delisted International Security;
- (l) the rights and powers under this Agreement extend to any third party service provider appointed to act on the Broker's behalf;
- (m) the Broker may aggregate Orders for International Securities. The Client will be liable to pay the fees applicable for a stand-alone Order even where there is a reduction in fees due to the aggregation of Orders;

- (n) the complaints and compensation schemes outlined in clause 26 other than in relation to the Australian Financial Complaints Authority do not apply to trading in International Securities; and
- (o) Orders may be purged if unfulfilled after the close of the trading day in each International Exchange. Where the Client's Order hasn't expired or been executed, the Client will need to resubmit it on the following trading day. Expiry types will be noted on the platform.

## **82. Limitation of liability for International Securities**

- 82.1 In addition to clause 25, but subject to this clause 82, the Broker excludes all liability in contract, tort (including negligence) or otherwise relating to or resulting from: any action, omission, fraud or negligence of any third party service provider acting on the Broker's behalf or any Sub-Custodian.
- 82.2 Subject to clause 82.3, the Custodian will be liable to the Client if the Client suffers Loss due to a failure by the Custodian, the Sub-Custodian or any sub-custodian appointed by the Sub-Custodian to comply with its duties under this Agreement or to observe reasonable standards generally applied by providers of custodial or depository services for holding International Securities.
- 82.3 The Custodian will not be liable to the Client for any Loss which arises from the insolvency of the Sub-Custodian or any sub-custodian appointed by the Sub-Custodian if the Custodian has taken reasonable care in engaging and monitoring compliance by the relevant entity.

Level 20, Tower Three  
International Towers  
300 Barangaroo Ave  
Sydney NSW 2000

GPO Box 5351  
Sydney NSW 2001  
Australia

 1300 658 355

 1300 553 589

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