

CMC Markets Stockbroking Limited

Terms and Conditions

28 June 2013

AFSL No. 246381 and ABN 69 081 002 851



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This agreement is made between the Broker and the Client ('**Agreement**'). This Agreement comes into effect when the Broker accepts an application from the Client to open a Client Account in the name of the Client, following the receipt by the Broker of an Application Form from the Client. This Agreement comprises a number of separate parts:

Part A General Terms and Conditions

This part applies to all Client 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 ASX 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 Partly Paid Securities

This part applies if the Client instructs the Broker to deal in Partly Paid Securities (as defined in Part F).

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.

A. General Terms and Conditions

01 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 Client Accounts.

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

ASIC means the Australian Securities and Investments Commission.

ASIC Rules means the ASIC Market Integrity Rules (ASX Market) 2010 as amended from time to time.

ASX Settlement means ASX Settlement Pty Ltd (ABN 49 008 504 532) or another settlement facility approved to settle ASX 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 means the ASX Limited (ABN 98 008 624 691).

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

ASX Transactions 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 Integrated Trading System (ITS) by the Broker, submitted as corresponding Trading Messages without being re-keyed by a designated trading representative (DTR) of the Broker.

Bank Account means an account opened by the Broker on behalf of the Client with an authorised deposit-taking institution (within the meaning of the Banking Act 1959 (Cth)) in accordance with this Agreement (other than the Cash Account) 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.

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

Cash Account means the CMC Markets Cash Account to be opened by the Broker at the instruction of the Client or the Authorised Agent of the Client.

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

CHESS Holding means the Client's holding of one or more financial products in CHESS 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.

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.

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

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

Conditional Order has the meaning given to that term in Part C (if applicable).

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

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

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 volume).

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

Linked Order has the meaning given to that term in Part C (if applicable).

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.

NGF means the National Guarantee Fund administered by SEGC.

One Cancels the Other Order has the meaning given to that term in Part C (if applicable).

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

Rules mean the ASX Rules, the ASIC Rules, the ASX Clear Rules and

the ASX Settlement Rules (as applicable).

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

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

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

Settlement Time in relation to an ASX 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.

02 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) 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 or G 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.

03 Rules and regulations

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

04 Appointment and Authorised Agents

4.1 The Client appoints the Broker as its agent for the purposes of executing orders to enter into ASX Transactions in accordance with the terms of this Agreement. The Client authorises the Broker to:

- (a) open one or more Client Accounts for the Client, as requested in the Application Form or otherwise in writing; and
- (b) 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 Authorised Agent. Where another person is appointed Authorised Agent, the notice must include the full name, telephone number, fax number, email address and specimen signature of that person and be verified by an Authorised Agent and, in the case of a corporate Client, by a director of the Client.

4.4 The Broker may treat a communication as having been given by the Client, and rely on that communication without further enquiry, if it is given, or apparently given, by an Authorised Agent or, in the case of a corporate Client, by a director.

4.5 The Client is and remains solely liable and responsible for all acts and omissions of its Authorised Agent 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 notwithstanding the act or omission of the Authorised Agent was:

- (a) outside their actual or ostensible authority; or
- (b) in error, fraudulent, negligent, in breach of its fiduciary duties or criminal.

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 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.

05 Joint accounts

If more than one person constitutes the Client (including for example if the relevant Client 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.

06 Instructions and orders

6.1 The Client may from time to time place orders with the Broker to enter into ASX 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.

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 can not 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 ASX.

6.5 The Client acknowledges that unexecuted orders in respect of some financial products (such as Warrants and ASX Derivatives Products) are purged by ASX from the ASX trading facility at the end of the relevant Business Day.

6.6 The Client must not instruct the Broker to submit an order to enter into an ASX 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:

- (a) market manipulation, false trading, market rigging, fictitious

- transactions, wash trading or matching of orders;
- (b) insider trading;
- (c) short selling (including any requirement referred to in clause 15);
- (d) creating a disorderly market or otherwise prejudicing the integrity or efficiency of the market; or
- (e) misleading or deceptive conduct.

07 Confirming ASX Transactions

7.1 The Broker will confirm the execution of ASX 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 (for example, in the Application Form) that the Broker does so and has not revoked that request.

7.3 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.

7.4 The Broker may, at any time, reissue a Confirmation in order to correct any errors or omissions.

08 Cancellation of orders and ASX Transactions

8.1 The Broker may request, agree to or effect the cancellation of any order or ASX Transaction for any reason without the consent of the Client in any of the following circumstances (such circumstances may include but not limited to):

- (a) where the Broker considers the cancellation appropriate, having regard to its obligations as a participant of ASX, 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, 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 an ASX 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 you a Confirmation in respect of the transaction).

8.3 The Client acknowledges that under Section 3 of the ASX Rules, ASX has a range of powers including the power to cancel or amend an ASX 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 by ASX pursuant to Section 3 of the ASX Rules (whether or not the Broker has given you a Confirmation in respect of the ASX Transaction).

09 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 ASX Transaction will be set out in the Confirmation of that transaction.

9.2 The Broker may receive commissions and other benefits from other parties in relation to ASX Transactions the Broker enters into on the Client's behalf including for example, commissions or benefits from the operator of any Cash Account or the issuer of various financial products, such as Warrants. The Broker is entitled to retain such commissions and benefits.

9.3 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.

10 Bank Account and Cash Account

10.1 The Broker may, on receipt of a request in writing (for example, in the Application Form) open a Cash Account or a Bank Account on behalf of the Client for the purposes of facilitating the settlement of ASX Transactions entered into by or on behalf of the Client.

10.2 The Broker is not liable for any loss or damage (including any consequential loss) suffered by the Client as a result of any default by the provider of the Cash Account or the Bank 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 or a Bank Account.

11 Settlement of purchases

11.1 The Client agrees to and must ensure that all funds required by the Broker to settle an ASX 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 prior to the Settlement Time. Payment in cash is not acceptable.

11.2 On the execution of an ASX Transaction for the purchase of a financial product, the Client acknowledges that that amount will be 'locked' in the Cash Account or Bank Account of the Client. From that time, the Client will not be entitled to withdraw those 'locked' funds from the Cash Account or the Bank 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 or Bank 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 CHESS

Participant to hold financial products in CHESS, the Client irrevocably authorises the Broker to apply any financial products held in the Client's CHESS Holding with the Broker to settle any ASX 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 ASX 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 in any financial products sold (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) charge interest on any debit balances in any Cash Account or Bank Account;
- (f) use its own securities or other financial products or obtain securities or other financial products from third parties and use those securities or financial products to settle any sale executed by the Broker on behalf of the Client;
- (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 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 its liability to the Broker;
- (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, any consequential loss, 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:

- (a) 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;
- (b) it is the Client's responsibility to obtain personal financial product advice before making any investment or trading decision; and
- (c) 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:

- (a) the Broker does not endorse nor provide the facility for clients to execute short sales of securities or other financial products; and
- (b) when placing an order to sell financial products, the Client (or the Authorised Agent of the Client 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) 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).
- (b) 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 16 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:

- (a) if the Client requests the Broker to exercise the option – at the time the request is made; or
- (b) 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 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 Client Account, a Cash Account or Bank 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 CHESS 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 Client Account;
- (b) use or disclose the information to a third party, (including the operator of any Bank Account or Cash Account), in connection with the opening of a Cash Account or Bank Account 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 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 ASX Transactions which are requested by a person having a right to request such information or documentation (including, without limitation, ASIC, ASX, ASX Clear or ASX Settlement). The Broker is authorised to produce the information or documentation to the person making the request.

16.6 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 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 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 to the Client in relation to the services provided by the Broker including, without limitation, any Financial Services Guide or Product Disclosure Statement;
- (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 principally resident in Australia or New Zealand and 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 ACN or ARBN (as applicable) under the Corporations Act and the Client's principal place of business is in Australia.

18.2 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 (including consequential loss) 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:

- (a) receive commission from both parties, where the Client's order matches an existing order placed by another client of the Broker; and
- (b) receive commission from the Client, where the Client's order matches an existing order placed by the Broker as a principal trade.

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 ASX Transactions (including ASX 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 ASX 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' being an order in which the Client has requested that the ASX Transaction is effected at the prevailing market price;
- (b) second priority will be given to a 'limit order' being an order in which the Client has requested that the ASX 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 ASX 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 39.5.

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 its website 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 69 applies.

22 Termination

22.1 The Broker or the Client may terminate this entire Agreement 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.

22.2 The Broker or the Client may terminate a part of this Agreement (other than this Part A) at any time and for any reason by giving notice to the other, without terminating another part of the Agreement. For example, Part D (Trading in ASX Derivatives Products) may be terminated without terminating this Agreement in respect of other ASX Transactions. Termination of a part of this Agreement under this clause 22 does not affect outstanding obligations under this Agreement which are undischarged at the time of termination, either under the terminated part or otherwise. Each indemnity in this Agreement survives the termination of any part 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 its 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 Client 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 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 ASX 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 in accordance with, pursuant or incidental to this Agreement;
- (g) any instruction, request or direction given by the Client;
- (h) by reason of the Broker complying with any direction, request or requirement of the Rules or the Corporations Act or of ASIC, ASX, ASX Clear or ASX Settlement or any other regulatory body having jurisdiction over the Broker; or
- (i) arising from and in connection with or in any way related to 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 Trade Practices Act 1974 (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).

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 will 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;
- (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 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, the ASX 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;
 - (v) not use the data provided through the Online Service for any illegal purpose.

30.3 The Client is responsible to the Broker for the consequences of any unauthorised disclosure or use of the Security Information.

31 Online trading rules

31.1 A Client is only permitted to access and use 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 in the Cash Account or Bank Account 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) the beneficial ownership of the securities or other financial products which are the subject of the order would not clearly change if the order was executed;
- (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, it 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 ASX; 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 ASX (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 Definitions

34.1 In this Part C the following words have the following meanings:

At Market means a price which is no more than 3 steps less (in the case of an instruction to sell the financial product) or 3 steps more (in the case of an instruction to buy the financial product) than the last sale price when the order is processed.

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

- (a) when the Trigger occurs; and
- (b) in accordance with the Specified Instructions.

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.

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.

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:

- (a) at a **Limit Price**;
- (b) **At Market**; or
- (c) on any other basis permitted by the Broker.

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 an ASX Transaction.

35 Placing a Conditional Order

35.1 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;
- (d) the Conditional Order remains valid in the event of a trading halt in respect of the relevant financial product, unless ASX purges orders for the relevant financial product.

36 Variation or cancellation of a Conditional Order

36.1 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 ASX, 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.

36.2 The Client may request the Broker to vary, cancel or reinstate a Conditional Order. Any request for a variation, cancellation or reinstatement of a Conditional Order will be treated as a new Conditional Order for the purposes of this Agreement.

36.3 The Broker may charge a fee for a cancellation, variation or reinstatement of a Conditional Order.

37 Linked Orders

37.1 The Broker may in its absolute discretion allow the Client to place Linked Orders.

37.2 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.

37.3 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.

38 One Cancels the Other Orders

38.1 The Broker may in its absolute discretion allow the Client to place a pair of One Cancels the Other Orders.

38.2 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.

39 Triggering a Conditional Order

39.1 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.

39.2 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. You 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.

39.3 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 Cash Account or Bank Account of the Client, at the time the Trigger occurs.

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 Cash Account or Bank Account of the Client, the Broker will only 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 Cash Account or Bank Account of the Client (or such other percentage as determined by the Broker), at the time the Trigger occurs.

39.4 If a Trigger specifies price as the criteria for the Trigger, and that criteria is satisfied in the closing price auction effected by ASX under the ASX 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.

39.5 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.

39.6 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 ASX Derivatives Products

The terms and conditions in this Part D apply to Derivatives Transactions (as defined below) where the Broker accepts the Client's application to open a Client Account with the Broker to deal in Exchange Traded Options or other exchange traded derivatives (other than Warrants) for which ASX operates a market ('**ASX Derivatives Products**').

In this Part D the following words have the following meanings:

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.

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).

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

Default has the meaning given to it in clause 51.1.

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

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.

40 Application of Rules

40.1 The Client and the Broker are bound by the Rules and the Corporations Act, in so far as they apply to, Derivatives Transactions traded on ASX for the Client.

40.2 The Client acknowledges that each Derivatives CCP Contract registered with ASX Clear is subject to the ASX Clear Rules.

41 Client documentation and acknowledgements

41.1 The Client acknowledges that the Client has received and read a copy of the current explanatory booklet published by ASX in respect of each ASX Derivatives Product (including Exchange

Traded Options – available by accessing the following site: <http://www.asx.com.au/resources/publications/booklets.htm>), the product disclosure statement prepared by the Broker and any other client documentation given to the Client under the Rules or the Corporations Act. These documents can be obtained by accessing the following site:

<http://www.cmcmarkets.com.au/legal/stockbroking>

41.2 The Client acknowledges that Derivatives Transactions give rise to a risk of loss as well as a potential for gain.

41.3 The Client acknowledges that it 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 its purposes.

41.4 The Client agrees not to breach, either alone or in concert with others, any position or exercise limits imposed by ASX or ASX Clear under their respective Rules or of which the Broker otherwise notifies the Client.

42 Authority

42.1 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.

43 Nature of the Broker's obligations

43.1 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 the ASX market is entered into by the Broker as principal.

43.2 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.

44 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 ASX or ASX Clear in relation to any transactions by the Broker in the Derivatives Transactions.

45 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.

46 Client funds and property

46.1 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.

46.2 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.

47 Deposits and margins

47.1 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.

47.2 The Client becomes liable to pay to the Broker:

- (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 47.1; 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 47.1.

47.3 The time by which the Client must pay any amount called under clause 47.1 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.

47.4 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.

47.5 If the client fails to meet the call or lodge security as required under this clause 47, 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 ASX Derivative Products.

47.6 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 Bank Account or Cash Account, to partially or fully satisfy any call under clause 47.1.

47.7 The Client's liability for calls under clause 47.1 is not limited to the amount, if any, deposited with the Broker or in the Bank Account or Cash Account.

48 Cover

48.1 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.

48.2 The Client authorises the Broker to make any financial products lodged with, or otherwise held by, the Broker available to ASX Clear as Cover.

48.3 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.

48.4 The Client agrees that no interest is payable on any Cover provided to the Broker.

49 Equitable mortgage of Collateral

49.1 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 CHES Holding in accordance with the ASX Settlement Rules.

49.2 Upon lodgement of financial products with the Broker under clause 49.1 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.

49.3 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.

49.4 The equitable mortgage created under clauses 49.2 and 49.3 will secure:

- (a) any initial margin or variation margin obligations that arise in respect of the Client Account; and
- (b) any amount which is owed by the Client to the Broker as a result of a Default.

49.5 If new rights arise in relation to the Collateral lodged under this clause 47, the rights are to be held, renounced and transferred on the same basis under this Agreement as the financial products in the relevant CHES Holding and will become subject to an equitable mortgage in favour of the Broker.

49.6 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.

49.7 The Broker will release the equitable mortgage granted under this clause 49 in respect of any or all Collateral upon satisfaction of the Client's obligations under this Agreement.

50 Collateral to be sponsored by the Broker

50.1 The Client must appoint the Broker as their Controlling Participant for the purposes of CHES in relation to financial products that are to be lodged with the Broker as Collateral from time to time.

50.2 All Collateral the Client lodges with the Broker will be subject to the Sponsorship Agreement.

51 Default

51.1 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 an ASX 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;
- (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 Account; or
- (o) any other event occurs which the Broker and the Client have agreed constitutes a Default.

51.2 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 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 Derivative CCP Contracts not yet exercised;
- (d) cover in whole or in part open positions by entering into further Derivative 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 51.2, 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.

51.3 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.

51.4 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.

52 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.

53 Right to refuse to deal

The Client acknowledges that the Broker may at any time refuse to deal in, or may limit dealings in, ASX 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.

54 Termination of Part D of this Agreement

54.1 Either the Client or the Broker may terminate this Part D by giving notice in writing to the other. Termination of this Part D of the Agreement will be effective upon receipt of the notice by the other party.

54.2 In accordance with clause 22 of this Agreement, termination of this Part D 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. Upon termination of this Part D, the Broker will close out all Derivatives CCP Contracts held by the Broker and registered in the Client's Account, unless, in accordance with a direction from the Client, the registration of those contracts is transferred to another Broker in accordance with the Rules.

55 Revised terms prescribed by ASX or ASX Clear

55.1 If ASX or ASX Clear prescribes amended minimum terms for a Client Agreement for Derivatives Transactions for the purposes of the ASX Rules or the ASX Clear 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.

55.2 The Broker will provide a copy of the New Terms to the Client as soon as practicable after ASX or ASX Clear prescribes the New Terms.

56 Change of Participant

56.1 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 56.2 or 56.3.

56.2 The Client may choose to terminate this Part D in accordance with clause 54 or by giving instructions to the Broker, indicating that the Client wishes to transfer its Derivatives CCP Contracts to another Participant.

56.3 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.

56.4 The novation in clause 56.3 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.

56.5 The Client will be taken to have consented to the events referred to in clause 56.3 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.

56.6 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 56.3 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.

56.7 Nothing in clause 56 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 clause 56.

E. Warrant Agreement

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

57 Acknowledgements by Client

The Client acknowledges the following in relation to any ASX

Transactions in respect of Warrants:

- (a) The Client acknowledges that the Client has received and read a copy of the Explanatory Booklet issued by ASX in respect of Warrants (this can be obtained by accessing <http://www.asx.com.au/resources/publications/booklets.htm>), and published on the website of the Broker.
- (b) The Client acknowledges that the Client understands that neither the options market operated by ASX nor ASX Clear have any involvement whatsoever with Warrants.
- (c) The Client acknowledges that the Client is aware that a Warrant has a limited life and cannot be traded after its expiry date.
- (d) The Client acknowledges that the Client is aware that Warrants do not have standardised Terms of Issue and acknowledges that it the responsibility of the Client to become aware of the Terms of Issue of any Warrant in which the Client chooses to invest.
- (e) The Client acknowledges 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.
- (f) The Client acknowledges that the Client is aware that admission to Trading Status of a Warrant does not imply that ASX or SEGC gives any guarantee or warranty as to the viability of the Warrant-Issuer or any Guarantor.
- (g) 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 ASX, handling Market Participants or SEGC.

F. Dealing In Partly Paid Securities

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

58 Meaning of Partly Paid Security

In this Part F, a Partly Paid Security means a financial product quoted on the ASX 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 an ASX Derivatives Product.

59 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 ASX 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.

60 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 you require a copy of these definitions, please contact the Broker.

61 Acknowledgements by Client

61.1 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.

61.2 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 CHESS 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.

62 Broker's and Client's rights and obligations

62.1 The Client appoints the Broker as its Controlling Participant with respect to the Client's CHESS 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.

62.2 Where the Client authorises the Broker to buy financial products, the Broker is not obliged to transfer financial products into the CHESS Holding of the Client until payment for those financial products has been received.

62.3 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).

62.4 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 CHESS Holding.

62.5 Subject to clauses 62.3 and 62.4 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.

62.6 The Broker will not initiate any Transfer or Conversion into or out of the Client's CHESS Holding without the express written authority of the Client.

62.7 The regulatory regime which applies to the Broker includes the Corporations Act, the ASX Rules, the ASIC Rules, the ASX Clear Rules and the ASX Settlement Rules. You can obtain information as to the status of the Broker under these regulatory regimes from the relevant regulatory authorities, including ASIC, ASX, ASX Clear and ASX Settlement.

63 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.

64 Exchange Traded Options, pledging and sub-positions

64.1 Where the Client informs the Broker of an arrangement with ASX Clear to lodge financial products in its CHESS Holding as Cover under the ASX Clear Rules, the Client authorises the Broker to take whatever action is reasonably required by ASX Clear in accordance with the ASX Clear and ASX Settlement Rules to give effect to that arrangement.

64.2 Where the Client informs the Broker that a charge or any other interest in financial products in the Client's CHESS 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.

64.3 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 CHESS 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.

64.4 Nothing in this Sponsorship Agreement operates to override any interest of ASX Clear in the financial products.

65 Fees and indemnities

65.1 The Client will pay all Brokerage fees and associated transactional costs within the period prescribed by the Broker.

65.2 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 CHESS Holding; or
- (c) any breach of Sponsorship Agreement by the Client.

66 Change of controlling participant

66.1 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 66.2 or 66.3.

66.2 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 CHESSE Holding to another Controlling Participant; or
- (b) transfer the Client's CHESSE Holding to one or more Issuer Sponsored Holdings.

66.3 If the Client does not take any action to terminate this Sponsorship Agreement in accordance with clause 66.2 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.

66.4 The novation in clause 66.3 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.

66.5 The Client will be taken to have consented to the events referred to in clause 66.3 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.

66.6 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 66.3 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.

66.7 Nothing in clause 64 will prevent the completion of CHESSE 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 64.3.

67 Complaints and compensation

67.1 Except as referred to in this clause 67, no compensation arrangements apply to the Client in relation to this Sponsorship Agreement.

67.2 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 National Guarantee Fund for compensation in the circumstances specified under Part 7.5, of Division 4 of the *Corporations Act* and the *Corporations Regulations 2001* (Cth); and
- (c) the Client may refer that breach to any regulatory authority, including ASX Settlement.

(For more information on the circumstances in which the Client may make a claim on the NGF or for information on the NGF generally, contact SEGEC.)

67.3 The Client may lodge a complaint against the Broker or any claim for compensation with ASIC, ASX, ASX Clear, ASX Settlement or the Financial Ombudsman Service.

68 Suspension from CHESSE

68.1 If the Broker is suspended from CHESSE 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 CHESSE Holdings be removed either:

- (a) from the CHESSE 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; or

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 Participant must enter into a Sponsorship Agreement with the Client within ten (10) Business Days of the change of Controlling Participant.

69 Loss of legal capacity

69.1 The Client acknowledges that:

- (a) in the event of its death or bankruptcy, a Holder Record Lock will be applied to all of the Client's CHESSE Holdings in accordance with the ASX Settlement Rules unless the Client's legally appointed representative or trustee elects to remove the Client's CHESSE Holdings from the CHESSE 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 three calendar months after the removal of a Holder Record Lock applied pursuant to clause 67.1(a).

69.2 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 CHESSE Holdings under the Joint Holder Record into new CHESSE 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 CHESSE 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 CHESSE 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 CHESS Holdings from the CHESS 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 CHESS Holdings under the new Holder Record.

70 Termination

70.1 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; or
- (d) upon the giving of Withdrawal Instructions by the Client to the Broker in accordance with ASX Settlement Rule 7.1.10(c).

70.2 Termination of this Sponsorship Agreement under clause 68.1(a) will be effective upon receipt of Notice by the other party.

70.3 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.

71 Variation

The Broker may vary this Sponsorship Agreement by giving the Client written notice of the variation. The Broker must give:

72 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: brokingservice@cmcmarkets.com.au

Phone: 1300 360 071

73 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 a website or emailed to the client) showing the details of execution, within three (3) Business Days after execution of the Sponsorship Agreement.

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