



CLIENT APPLICATION FORM

All transactions are executed by D2MX Pty Ltd ABN 98 113 959 596 AFSL No. 297950 (**Broker**) and cleared by Pershing Securities Australia Pty Ltd (Pershing)
ABN 60 136 184 962 AFSL No 338264 Level 2, 1 Bligh Street, Sydney NSW 2000

Please ensure you have read and understood:

- ☐ Pershing Disclosure Statement (Part E)
- ☐ Pershings Explanation of CHESS Sponsorship (Part F)
- ☐ Pershing Direct Debit Request and Service Agreement (Part G)
- ☐ Pershing Derivatives Client Agreement (Part H)
- ☐ Pershing Privacy Policy and Client Statement (Part I)
- ☐ Pershing Financial Services Guide (FSG) (Part J)
- ☐ D2MX Terms and Conditions (including Derivatives, Warrants & Partly Paid Securities Terms (Part K)
- ☐ D2MX Disclosure Statement (Part L)
- ☐ D2MX Financial Services Guide (FSG) (Part M)
- ☐ Licensee Financial Services Guide (FSG) (Part N)
- ☐ Licensee Terms and Conditions (Part O)

In order to process your Application, we will need:

- ☐ Completed & signed Client Application Form (Part A)
- ☐ Completed & signed Broker to Broker Transfer Authority Form – Equities (Part B)
- ☐ Completed & signed Broker to Broker Transfer Authority Form – Options (For Options Clients Only) (Part C)
- ☐ Completed & signed Registered Holder Collateral Cover Authorisation Form (Options Clients Only) (Part D)

General Instructions:

- Print in clear BLOCK LETTERS
- If you make a mistake, cross it out and initial the changes. Please do not use correction fluid.

INTERNAL USE ONLY:

Account Number:		HIN:	
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BROKER USE ONLY:

Equities Advisor Code:		Equities Brokerage:	
Options Advisor:		Options Brokerage:	

By signing below, the Broker acknowledges that it has:

- (a) received and retained the original signed Sponsorship Agreement (if the Client has agreed to be CHESS Sponsored in Part A Section 11)
- (b) verified the signature on the Application Form, and confirm that it matches the Applicant's Identification documents

Name:		Signature:		Date:	
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IDENTIFICATION REQUIREMENTS

Under the Anti-Money Laundering and Counter-Terrorism Financing (**AML/CTF**) legislative regime, due diligence must be conducted on any prospective client before certain services may be provided. The due diligence includes verifying a prospective client's identity. Applications made without providing this information cannot be processed. The AML/CTF compliance program will also include ongoing customer due diligence and reporting of suspicious matters to AUSTRAC as necessary. This may require the Intermediary and/or Pershing to collect further information.

INDIVIDUALS / COMPANY DIRECTORS / TRUSTEE

Please provide certified copies of one Primary Photographic Documents (List A) **OR** one document from the Primary Non-Photographic list (List B) **AND** Secondary Identification list (List C) for **EACH** individual.

A – Photographic Identification

- Current photographic Australian driver's licence
- Current Australian passport
- Current State or Territory photo ID card
- Current foreign passport^①
- Current foreign driver's licence with photograph & date of birth^①

B – Non Photographic Identification

- Birth certificate or birth extract issued by a State or Territory
- Commonwealth citizenship certificate
- Centrelink Pension card
- Health Care card issue by Centrelink
- Foreign citizenship certificate or birth certificate^①

C – Secondary Identification

- Commonwealth, State and Territory financial benefits notice (less than 12 months old)
- Local government or utilities provider bill (less than 3 months old) recording provision of services to the person at the address
- Notice issued within the last 3 months by school principal for a person under 18, recording period of time person attended school and person's residential address
- ATO Tax notice (less than 12 months old)

^① Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

COMPANY

If you are an Australian company or Corporate Trustee, you need to provide the following documents:

- A full company search of the ASIC database showing:
 - a. the full name of the company;
 - b. the ABN/ACN;
 - c. company type;
 - d. the registered office address of the company;
 - e. the principal place of business of a company;
 - f. the names of each director of the company (only for a proprietary company);
 - g. the name and date of birth of each beneficial owner (non-listed company)
- If the company is a regulated company, a search of the licence or other records of the relevant Commonwealth, State or Territory regulator;
- If the company is listed, a search of the relevant financial market.
- Certified Identification for each director as per requirement for Individuals
- Certified Identification for each beneficial owner as per requirement for Individuals or Company (25% or more ownership)

If you are a Foreign company or Corporate Trustee, you need to provide the following company documents showing:

- a. ARBN or foreign registration number
- b. the names of each director of the company (only for a proprietary company);
- c. registration of the company by a foreign registration body;
- d. Whether the company is private or public;
- e. the name and date of birth of each beneficial owner (non-listed company)
- Certified Identification for each director as per requirement for Individuals
- Certified Identification for each beneficial owner as per requirement for Individuals or Company (25% or more ownership)

TRUST / SUPERANNUATION FUND

If you are a registered managed investment scheme, an unregistered managed investment scheme with wholesale clients only (which does not make small-scale offerings under section 1012E), a regulated trust (e.g. SMSF) or government superannuation fund provide the certified copy or certified extract of the trust deed, ATO or ASIC documents showing:

- a. full name of the trust;
- b. that the trust is a registered scheme, regulated trust or superannuation fund;
- c. type of trust;
- d. the country in which the trust was established;
- e. the full business name (if any) of the trustee in respect of the trust.

If you are opening an account for Other Trust Types (e.g. family, unit, charitable, estate, etc) provide a certified copy or extract of Trust deed showing:

- a. full name of the trust;
- b. the type of trust;
- c. the country in which the trust was established;
- d. the full business name (if any) of the trustee in respect of the trust;
- e. Full name of beneficial owners or trust membership class ;
- f. Name of the Settlor of the trust
- g. Name of all the trustees

Identification requirements -

- a. information relating to all trustees as per "individual" or "company" identification procedure;
- b. information relating to all beneficial owners as per "individual" or "company" identification procedure;
- c. information relating to settlor of the trust as per "individual" or "company" identification procedure.

PART A**1. INDIVIDUAL / JOINT**

Please complete this section using your full name. Initials will not be accepted.

Individual 1

Title	<input type="text"/>	Date of Birth	<input type="text"/>
Given Name(s)	<input type="text"/>		
Surname	<input type="text"/>		
Country of Birth	<input type="text"/>	Country of Citizenship or lawful permanent residency	<input type="text"/>

Individual 2

Title	<input type="text"/>	Date of Birth	<input type="text"/>
Given Name(s)	<input type="text"/>		
Surname	<input type="text"/>		
Country of Birth	<input type="text"/>	Country of Citizenship or lawful permanent residency	<input type="text"/>

Individual 3

Title	<input type="text"/>	Date of Birth	<input type="text"/>
Given Name(s)	<input type="text"/>		
Surname	<input type="text"/>		
Country of Birth	<input type="text"/>	Country of Citizenship or lawful permanent residency	<input type="text"/>

2. COMPANY DETAILS

Company Name	<input type="text"/>		
ABN / ACN	<input type="text"/>	Country of Incorporation	<input type="text"/>
Company Type	<input type="checkbox"/> Proprietary <input type="checkbox"/> Public	Number of Directors	<input type="text"/>
ARBN or foreign registration number	<input type="text"/>	Registration Body	<input type="text"/>

DIRECTORS DETAILS

If there are additional Directors, please supply details on a separate page

Director 1	Title	<input type="text"/>	Given Name(s)	<input type="text"/>
	Surname	<input type="text"/>	Date of Birth	<input type="text"/>
	Country of Birth	<input type="text"/>	Country of Citizenship or lawful permanent residency	<input type="text"/>
Director 2	Title	<input type="text"/>	Given Name(s)	<input type="text"/>
	Surname	<input type="text"/>	Date of Birth	<input type="text"/>
	Country of Birth	<input type="text"/>	Country of Citizenship or lawful permanent residency	<input type="text"/>
Director 3	Title	<input type="text"/>	Given Name(s)	<input type="text"/>
	Surname	<input type="text"/>	Date of Birth	<input type="text"/>
	Country of Birth	<input type="text"/>	Country of Citizenship or lawful permanent residency	<input type="text"/>

Company Section Continues on Page 4

Beneficial Owners

If there are additional Beneficial Owners, please supply details on a separate page

List individuals who, whether directly or through other companies or trusts, own 25% or more of the Company

Owner 1	Title		Given Name(s)	
	Surname		Date of Birth	

Residential Address (PO Box is not acceptable)

Street Address

State Post Code Country

Owner 2	Title		Given Name(s)	
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Surname		Date of Birth	
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Residential Address (PO Box is not acceptable)

Street Address

State Post Code Country

Owner 3	Title		Given Name(s)	
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Surname		Date of Birth	
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Residential Address (PO Box is not acceptable)

Street Address

State Post Code Country

3. TRUST / SUPERANNUATION FUND DETAILS

Name of Trust	
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ABN / ARBN		Country of Establishment	
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Type of trust		Business name of the trustee	
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Name of the Settlor		Date of birth of the Settlor	
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Beneficial Owners

If there are additional Beneficial Owners, please supply details on a separate page

Beneficial Owner 1	Full Name	Date of Birth

Beneficial Owner 2	Full Name		Date of Birth	
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Beneficial Owner 3	Full Name		Date of Birth	
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4. ACCOUNT DESIGNATION

Trust Name, Superannuation Fund Name, Minor (child) details. Must not be more than 28 characters.

[illegible]

5. CONTACT DETAILS

Please provide at least one contact number for the account.

Business Number Home Number

Mobile Number		Fax Number	
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Email Address

The email address noted above will be used for Electronic Confirmations. If additional copies are required, please complete section 10

6. ADDRESS DETAILS

Residential Address / Registered Office Address for Companies (PO Box is not acceptable in the Residential Address Field)

Street Address (including Suburb)			
State		Post Code	
		Country	

Postal Address ☐ Same as above

Postal Address (including Suburb)			
State		Post Code	
		Country	

Registration Address

If no registration address is noted, your postal address will be used for your registration address.

Registration Address (including Suburb)			
State		Post Code	
		Country	

7. AUTHORISED AGENT

If you wish to authorise a third party to operate your account, please complete the below details. Until you notify us in writing that the authority has been revoked, the following person is authorised to act on your behalf, including giving dealing and other instructions, information and requests and/or receive account information.

Title		Date of Birth	
Full Name			
Street Address including Suburb			
Country of Birth		Country of Citizenship or lawful permanent residency	
Position Held		Phone Number	

Do you have Power of Attorney or signatory authority granted to a person with a U.S. address?

☐ Yes ☐ No

Signature of Authorised Agent

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8. AUSTRALIAN TAX FILE NUMBER OR EXEMPTION

Individual 1 TFN		Company TFN	
Individual 2 TFN		Trust TFN	
Individual 3 TFN		Superannuation Fund TFN	

Quotation of your Australian tax file number(s) (TFN) is optional

Pershing is an Australian financial service licensee that is authorised by law to request your TFN. You are not required to provide your TFN and failing to provide your TFN to Pershing is not an offence. If Pershing is unable to quote your tax file number or exemption to registries, it may be obliged to take tax at the highest marginal rate from any dividends, distributions, interest and payments to which you are entitled. Accordingly, failing to provide your TFN or not permitting Pershing to quote it in relation to an investment may have taxation consequences. You may wish to seek independent advice in this regard.

By providing a TFN and signing the Application Form you:

- (a) appoint Pershing as your agent and request and authorise Pershing to;
 - (i) provide your Tax File Number to all investment bodies with whom Pershing acts on your behalf;
 - (ii) apply your TFN to any investment or account which you may in future make or open with or through Pershing (and their related bodies corporate) to which your TFN may lawfully be applied; and
- (b) acknowledge that this authority will apply until such time as it is revoked in writing to Pershing.

Despite the other terms in this section, you may instruct Pershing in writing at the time of making an investment, not to quote your TFN in relation to that investment.

9. STATUS OF APPLICANT

Are any of the Applicants, Directors, Responsible Officials, Partners, Authorised Representatives, Trustees, Beneficial Owners or any other Beneficiaries of this Account: affiliated with any other Participant of ASX Group; ASX Listed Company, a government official; government entity, or having dealings with a government official or any government related entity of any country?

<input type="checkbox"/> Yes	<input type="checkbox"/> No	If Yes, please provide details	
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10. DELIVERY DETAILS FOR TRADE CONFIRMATIONS

Authorisation of the electronic dispatch of confirmations.

The authorisation and agreement in this section apply if you have provided an e-mail address for the despatch of trade confirmations and signed the Application Form. By doing so you authorise confirmations to be dispatched electronically to:

- (a) you at the e-mail address provided in Section 5
(b) another person or organisation (as your agent) to whom you have authorised Pershing to send electronic confirmations, at the e-mail address provided in the Application Form.

Additional Copies of Confirmation Notes:

Pershing cannot send your trade confirmations to a third party; however the third party can be provided with a copy of your trade confirmation. If additional copies are required please provide e-mail or fax details:

Additional e-mail / fax

Additional e-mail / fax

Confirmations via Fax

If you wish to receive confirmations via fax, please complete the below details:

Fax Number

Attention

Confirmations via Post

Postal Address

11. CHESS SPONSORSHIP

In order to complete this section, you should refer to the Explanation of CHESS Sponsorship Agreement and the Pershing Sponsorship Agreement in Part F of this document.

Would you like Pershing to establish a new Sponsored HIN?

☐

Yes

☐

No

If a new HIN is being Issued, would you like to convert its Issuer Sponsored holdings of financial products to its Pershing HIN?

☐

Yes

☐

No

Please attach current copies of Issuer Sponsored Statements for all financial products being converted

Would you like to transfer an existing HIN from another broker/sponsor?

☐

Yes

☐

No

If yes, please complete the **Broker to Broker Transfer Authority** Form in Part B (page 7)

12. DVP SETTLEMENT

Would you like to settle your transactions via a third party settlement participant (I.e. non CHESS sponsored/DVP/Margin Lending)?

☐

Yes

☐

No

If yes, please confirm Participant Name

PID

HIN

X

Email Address / Fax Number for Confirmation Notes - Trade Confirmations will be sent to the third party settlement participant

13. DIRECT DEBIT / CREDIT AUTHORITY

In order to complete this section, the Applicant should refer to Pershing's Direct Debit Request & Service Agreement [PART G].

For Direct Debits all bank account holders must sign this section. To link as MMKT a Third Party Authority with the CMA provider must have been completed

Default/Nominated Bank Account The Applicant authorises Pershing to directly credit/debit* the Nominated Bank Account

*Please tick applicable box:

☐

Credit

☐

Debit

☐

Both

☐

MMKT

Financial Institution Name:

Country of Financial Institution

Account Name

BSB

Account Number

Bank Account Holder 1 Name

Signature

Bank Account Holder 2 Name

Signature

Bank Account Holder 3 Name

Signature

14. INCOME DIRECTION

Please tick if applicable

- ☐ I / we will be CHESS Sponsored by Pershing and I/we authorise CHESS and Pershing to severally advise the relevant Issuer or its nominee to pay by direct credit to the Nominated Bank Account(s) (as specified in Section 13 of this Application Form) all cash dividends, distributions, interest or income payable referable to my/our HIN.

By ticking this box, whenever you purchase financial products which are CHESS sponsored by Pershing, Pershing will pass your banking details via CHESS to the issuer's share registry. This instruction will override all previous instructions you may have given Pershing or the relevant issuer. This instruction only applies to holdings sponsored by Pershing in CHESS. For other holdings, contact the Issuer directly. All cash dividends paid for financial products held under your HIN will be directed into the Nominated Bank Account specified in Section 13 of this Application Form. Note that by providing this instruction, it may override your participation in any existing Dividend Reinvestment Plans (**DRP**) or Bonus Share Plans. There are also no guarantees that all share registries will accept these instructions from Pershing.

15. ACKNOWLEDGEMENTS

The Applicant acknowledges that it has received, read and understood **the** following documentation:

- (a) Pershing Explanation of CHESS Sponsorship Agreement [Part F] (if the Client has agreed to be CHESS Sponsored in Part A Section 11)
- (b) Pershing Financial Services Guide [Part J]
- (c) D2MX Terms and Conditions (including Derivatives, Warrants & Partly Paid Securities Terms (Part K)
- (d) D2MX Disclosure Statement (Part L)
- (e) D2MX Financial Services Guide (FSG) (Part M)
- (f) Licencee Financial Services Guide (FSG) (Part N)
- (g) Licencee Terms and Conditions (Part O)

16. AGREEMENT TO BE BOUND BY DOCUMENTATION

By signing the application form below, the Applicant acknowledges that it has received and read, and the Applicant agrees to be bound by, the following documentation

- (a) Pershing Disclosure Statement [Part E]
- (b) Pershing Sponsorship Agreement [Part F] (if the Client has agreed to be CHESS Sponsored in Part A Section 11)
- (c) Pershing Direct Debit Request and Service Agreement [Part G] (if the Client has provided Pershing with Direct Debit Authority in Part A Section 13)
- (d) Pershing Derivatives Client Agreement – [Part H] for Options clients only
- (e) Pershing Privacy Policy and Client Statement [Part I]
- (f) Authorisation for electronic confirmations [Part A: Section 10 of Client Application Form] (if applicable)
- (g) Tax File Number Details [Part A: Section 8 of the Client Application Form]
- (h) D2MX Terms and Conditions (including Derivatives, Warrants & Partly Paid Securities Terms (Part K)
- (i) Licencee Terms and Conditions (Part O)

17. INDIVIDUAL CLIENTS TO COMPLETE

Individual (1): Full name	Signature	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>
Individual (2): Full name	Signature	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>
Individual (3): Full name	Signature	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>

18. CORPORATE / COMPANY CLIENTS TO COMPLETE

(Please note that two Directors or a director and a Secretary must sign. Indicate if the Company is a Sole Director/Sole Secretary Company.)

Name of Company: (please print)		
<input type="text"/>		
Director : Full name	Signature	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>
Director / Secretary: Full name	Signature	Date
<input type="text"/>	<input type="text"/>	<input type="text"/>

DECLARATION

By signing this application form, you agree, represent and warrant that you:

- Agree to be bound by the terms and conditions contained within the application.
- Are over the age of 18 years and not of any legal disability.

PERSHING USE ONLY:

Upon acceptance of this application and the opening of an Account for the Applicant by Pershing (and if the Applicant has agreed to be CHESS sponsored, upon the issue of a HIN), Pershing will be taken to have agreed to be bound by (and for the CHESS sponsorship agreement, to have signed) the following documentation.

- | | |
|---|--|
| (a) Pershing Sponsorship Agreement | (d) Pershing Disclosure Statement |
| (b) Pershing Direct Debit Request and Service Agreement | (e) Pershing Privacy Policy and Client Statement |
| (c) Pershing Derivatives Client Agreement | |

PART B: BROKER TO BROKER TRANSFER AUTHORITY FORM - EQUITIES

Please complete this form if you wish to transfer securities from another Sponsoring Broker to Pershing Securities Australia Pty Ltd (**Pershing**).

Important: PLEASE ATTACH A COPY OF YOUR LATEST CHESS HOLDING STATEMENT

1. PERSHING ACCOUNT DETAILS

Account Number

Account Name

2. DETAILS AT EXISTING SPONSORING BROKER

For your transfer to be successful, your registration details (i.e. your name and address) on this form must agree with the details on your account with Pershing. If not, you will need to advise your existing Sponsoring Broker of any changes before we can process this transfer.

Please ensure that the details supplied below match the details recorded on your latest CHESS Holding Statement

Registered Name

Account Designation or Trust e.g. <X & Y Superfund A/c>

Registered Address

Name of existing Broker

HIN at existing Broker

Existing Broker Account Number

Existing Broker PID

Please select one option:

- ☐ Please transfer HIN (and all holdings) from existing broker to Pershing (PID 1792); **or**
- ☐ Please transfer only those holdings listed below from existing broker to Pershing (PID 1792)

SECURITIES TO BE TRANSFERRED (Attach a separate sheet if additional securities are required to be transferred)

ASX CODE	SECURITY NAME (E.g. BHP Limited)	QUANTITY (No. Of Shares)

Agreement:

CHESS Sponsorship: Sponsor me/us into the CHESS Settlement Facility in accordance with Pershing's CHESS Sponsorship Agreement Terms and Conditions. I/we authorise Pershing to transfer the existing HIN and all holdings or the above listed Holdings to my/our Pershing account and we agree to be bound by Pershing's Sponsorship Agreement Terms and Conditions.

If the registration details that are being transferred to Pershing do not match the details supplied on Pershing's Sponsorship Agreement, I hereby authorise Pershing to amend the Registration details to match the Sponsorship Agreement.

Signature of Security Holders Requesting Transfer (all security holders must sign):

Full Name

Signature

Date

Full Name

Signature

Date

Full Name

Signature

Date

*ALL ACCOUNT HOLDERS MUST SIGN. FOR COMPANY ACCOUNTS, SIGN IN ACCORDANCE WITH THE COMPANY'S CONSTITUTION

PERSHING USE ONLY

☐ SPONSORSHIP AGREEMENT
RECEIVED

INITIALS _____ DATE _____

PART C: BROKER TO BROKER TRANSFER AUTHORITY FORM - OPTIONS

Please complete this form if you wish to transfer Options Positions from another Sponsoring Broker to Pershing Securities Australia Pty Ltd (**Pershing**).

Important: PLEASE ATTACH A COPY OF YOUR LATEST POSITION STATEMENT

1. PERSHING ACCOUNT DETAILS

Account Number

Account Name

2. DETAILS AT EXISTING SPONSORING BROKER

For your transfer to be successful, your registration details (i.e. your name and address) on this form must agree with the details on your account with Pershing. If not, you will need to advise your existing Broker of any changes before we can process this transfer.

Please ensure that the details supplied below match the details recorded on your latest Statement

Registered Name

Account Designation or Trust e.g. <X & Y Superfund A/c>

Registered Address

Name of existing Broker

HIN at existing Broker

Existing Broker Account Number

Existing Broker PID

Please select one option:

- ☐ Please transfer ALL Options, Cash and Collateral from existing broker to Pershing (PID 1792); or
- ☐ Please transfer only those positions shown in the attached statement /confirmation note from existing broker to Pershing (PID 1792); **or**
- ☐ Please transfer only those positions listed below from existing broker to Pershing (PID 1792)

OPTIONS POSITIONS TO BE TRANSFERRED (Attach a separate sheet if additional securities are required to be transferred)

CALL / PUT, EXPIRY MONTH, STRIKE	QUANTITY	TRADE PRICE

Agreement:

I/we authorise Pershing to transfer the existing Options Positions as detailed above to my/our Pershing account and we agree to be bound by Pershing's Derivatives Terms and Conditions.

Signature of Account Holders Requesting Transfer (all account holders must sign):

Full Name

Signature

Date

Full Name

Signature

Date

Full Name

Signature

Date

*ALL ACCOUNT HOLDERS MUST SIGN. FOR COMPANY ACCOUNTS, SIGN IN ACCORDANCE WITH THE COMPANY'S CONSTITUTION

PART D: REGISTERED HOLDER COLLATERAL COVER AUTHORISATION

Client Numbers covered by this Authorisation:

Account No:

Account No:

1. I/We

(insert name of Registered Holder/s) (**Registered Holder**)

with Holder Identification Number

authorise my Controlling Participant, to reserve (or withdraw) Financial Products (**Collateral**) registered in the name of the Registered Holder in the ASX Clear Pty Ltd, ABN 48 001 314 503 (**ASX Clear**) Subposition as Collateral Cover for obligations in respect of Options Market Contracts registered in the Client Accounts nominated above with **Pershing Securities Australia Pty Ltd** ABN 60 136 184 962 AFSL No. 338264

2. The Registered Holder acknowledges that ASX Clear may, in its absolute discretion, decline to accept in relation to all or any particular Client Account nominated above¹ for the purposes of accepting paperless lodgements.
3. The Registered Holder acknowledges that on behalf of the Registered Holder, the Controlling Participant will reserve (or withdraw) Collateral in the ASX Clear Subposition by sending the appropriate Collateral lodgement message so that the Collateral lodged comes under the control of ASX Clear, or Collateral withdrawn leaves the control of ASX Clear, in accordance with the ASX Clear Operating Rules and Procedures (as amended from time to time).
4. In registering Collateral in the ASX Clear Subposition, the Registered Holder acknowledges that the Collateral will be subject to a fixed charge (**Charge**) in favour of ASX Clear from the time they are reserved to the ASX Clear Subposition in the manner referred to above, and will remain subject to the Charge until ASX Clear permits it to be withdrawn from the ASX Clear Subposition.
5. The Registered Holder acknowledges that the Charge secures all amounts and obligations owing by the ASX Clear Participant to ASX Clear in connection with the Client Accounts nominated above¹ opened by the ASX Clear Participant in accordance with the ASX Clear Operating Rules and Procedures (as amended from time to time).
6. The Registered Holder acknowledges that the Registered Holder has read and understood the ASX Clear Operating Rules and the ASX Settlement Operating Rules, insofar as those rules relate to the Collateral and the Charge, including:
 - (a) ASX Clear's power to deal with the Collateral on default by the ASX Clear Controlling Participant in respect of the Client Accounts nominated above; and
 - (b) in particular, ASX Clear's power of sale in relation to the Collateral without any notice to the Registered Holder.
7. The Registered Holder warrants that unless ASX Clear otherwise agrees in writing, the Collateral is not and may not be subject to any other security interest, other than a security interest provided to a margin lender under a deed of priority, entered into between ASX Clear and the margin lender, which provides that ASX Clear's Charge has priority over the margin lender's security interest (**Deed of Priority**) or a security interest as permitted under the ASX Clear Operating Rules or the ASX Settlement Rules.
8. If the Registered Holder's Controlling Participant named in this Authorisation is a margin lender the Registered Holder warrants that they have signed an acknowledgement regarding the Deed of Priority as set out in Schedule 2 or Schedule 3, as applicable, to the Deed of Priority.
9. If the ASX Clear Participant is unable to insert the Account Numbers and/or HIN at the time the Registered Holder signs this form the Registered Holder irrevocably authorises the ASX Clear Participant to insert the Account Numbers and/or HIN on this agreement and agrees the ASX Clear Participant will insert the Account Numbers and/or HIN on the Registered Holder's behalf, prior to lodging this Authorisation with ASX Clear. The ASX Clear Participant agrees that it will notify the Registered Holder of the Account Numbers and/or HIN in writing as soon as reasonably possible.
10. Defined terms have the same meaning as defined in the ASX Clear Operating Rules or the ASX Settlement Operating Rules and Procedures (as amended from time to time).

Registered Holder 1:

Signature

Name

Date

Registered Holder 2:

Signature

Name

Date

Witness

Signature

Name

Date

PART E: PERSHING DISCLOSURE STATEMENT

to clients of D2MX PTY LTD
ABN 98 113 959 596 AFSL No. 297950
(BROKER)

TERMS OF YOUR AGREEMENT WITH PERSHING SECURITIES AUSTRALIA PTY LTD ABN 60 136 184 962 AFSL No 338264 (PERSHING)

1. Your clearing arrangements with Pershing

Pershing is admitted as a Clearing Participant in accordance with the ASX Clear Rules.

Whenever you place an Order with the Broker (as your agent) to purchase or sell Traded Products by means of a Transaction, you are immediately deemed to have entered into an agreement with Pershing on the terms and conditions set out below in this Disclosure Statement (**Terms and Conditions**). By placing an Order with the Broker, you accept and agree to be bound by these Terms and Conditions.

If you effect a Transaction through the Broker, Pershing carries the clearing obligations and any settlement obligations (together, **Settlement Obligations**) for all Transactions effected through the Broker (including those effected by the Broker on your behalf) and Pershing must settle as principal with ASX Clear or the relevant counter-party, even though the Transaction may have been entered into on your behalf. Your clearing obligations and any settlement obligations are therefore owed directly to Pershing (and not the Broker).

In the event that you fail to complete a contract in accordance with the ASX Clear Rules or fail to pay the amounts due in respect of a Transaction, Pershing has direct rights against you, including rights of sale under the Exchange Rules and ASX Clear Rules and those described in these Terms and Conditions.

2. Conduct of Business

You acknowledge and agree:

- (a) to comply with these Terms and Conditions, all applicable laws, the Exchange Rules, ASX Clear Rules and ASX Settlement Rules and the directions, decisions and requirements of each Relevant Exchange and the customs and usages of the Market. Upon request, you are able to inspect copies of the Exchange Rules, ASX Clear Rules and ASX Settlement Rules at the Broker's offices; and
- (b) that all Transactions are subject to the Exchange Rules, ASX Clear Rules, the directions, decisions and requirements of the Relevant Exchange and the customs and usages of the Market, the correction of errors and omissions and, if the sale or purchase is in relation to CS Approved Products, the ASX Settlement Rules.

3. Pershing's right to require the Broker to refuse to accept Orders

You acknowledge that Pershing may at any time in its absolute discretion direct the Broker to:

- (a) refuse to accept you as a client or not to accept Orders from, or execute Orders for you; or
- (b) refuse to accept a particular Order from you.

4. Purchases and Sales

You must ensure that payment in full is received by Pershing (and not the Broker) before the Settlement Date and Time. Pershing will not accept payment in cash. In accordance with the provisions of the Corporations Act, and the regulations made under the Corporations Act, pending settlement by you, these Terms and Conditions and the relevant Confirmation (if any) constitutes notice to you that Pershing may deposit the Traded Products purchased for you in a particular transaction as security for a loan if Pershing has received and paid for such Traded Products on your behalf.

You must deliver to Pershing (and not the Broker) all documents and security holder information (including the holder identification number or personal identification number and, if applicable, holder reference number) (**Security Holder Information**) no later than **two business days** before the Settlement Date and Time.

All documentation and Security Holder Information must be sent to:

**Pershing Securities Australia Pty Ltd
Level 2, 1 Bligh Street
Sydney NSW 2000**

If you have entered into a Sponsorship Agreement with either Pershing or the Broker, you will be taken to have satisfied this obligation if you ensure that sufficient Traded Products are held in your Sponsored Holding with Pershing or the Broker (as the case may be), those Traded Products are unencumbered and, if the consent of any third party is required before Pershing or the Broker (as the case may be) may withdraw those Traded Products, that consent has been obtained and communicated to Pershing.

You irrevocably authorise Pershing to apply any Traded Products held in your Participant Sponsored Holding to satisfy your Settlement Obligations arising from any Transaction executed by the Broker on your behalf.

Credits in respect of sales are not available until the latest of:

- (a) the Settlement Date and Time;
- (b) when all documents and Security Holder Information have been received by Pershing in deliverable form; and
- (c) all amounts due and payable by you to Pershing or the Broker have been paid.

Unless Pershing has agreed alternative arrangements with you, Pershing will pay all sale proceeds directly to you.

5. Misdirected Market Transactions

If at any time Transactions executed by the Broker are also to be cleared through a Clearing Participant (other than Pershing), you acknowledge that:

- (a) the Broker may, incorrectly or otherwise, direct a Transaction which it has executed on your behalf to a Clearing Participant other than Pershing (**Misdirected Market Transaction**);
- (b) Pershing does not have any Settlement Obligations in respect of any Misdirected Market Transaction; and
- (c) Pershing will not provide you with a confirmation in respect any Misdirected Market Transaction.

6. Short sales

A "short sale" is when Traded Products are sold on your behalf, or you place an Order with the Broker to sell Traded Products, at a time when you do not have a presently exercisable and unconditional right to vest the Traded Products in a buyer. Under section 1020B(2) of the Corporations Act, you are prohibited from effecting a short sale unless you are able to rely on an exemption from that prohibition provided in the Corporations Act, *Corporations Regulations 2001* (Cth) or provided by way of ASIC class order relief or other current and effective relief granted by ASIC. You must not place an Order for a short sale with the Broker unless you are able to rely on such an exemption. For the avoidance of doubt, you are able to rely on such an exemption where the circumstances of your Order are such that you are able to satisfy all conditions of any one or more exemptions to the prohibition on short selling.

7. No Advice

You acknowledge that Pershing does not provide financial product advice, nor does it accept responsibility for any financial product advice given to you by the Broker. You must not represent to any person that Pershing has given any financial product advice to you.

8. Settlement Date and Time

The "**Settlement Date and Time**" for sales or purchases is the date and time that is specified on the front of the relevant Confirmation. If no date and time are specified or no Confirmation is required to be given, the Settlement Date and Time is 9.00am (Sydney time) on the second Business Day after the execution of the Transaction. The Broker has no authority to extend the Settlement Date and Time.

9. Warranties by the client

You represent and warrant that before placing any Order with the Broker:

- (a) you will be in a position to pay for any Traded Products purchased and have a presently exercisable and unconditional right to vest any Traded Products sold in the buyer, to enable settlement at the Settlement Date and Time;
- (b) if your Order relates to the purchase of a Partly Paid Security (as defined in the Market Integrity Rules), you have made arrangements (to Pershing's satisfaction) to pay to Pershing a sufficient amount to cover any liability arising from all possible future calls in respect of the Partly Paid Securities; and
- (c) you will not place an Order for an AQUA Product unless you have received and read the Product Disclosure Statement relating to the product and the ASX Fact Sheet in relation to the ASX Managed Fund Settlement Service.

10. Settlement using BPAY facility

If you would like to make payment from your cheque or savings account by BPAY, please make arrangements with your participating financial institution. Please quote the Biller Code and your BPAY reference number (see the front page of the relevant Confirmation (if any)).

11. Confirmations

You will be given confirmations as required by the Corporations Act and the Market Integrity Rules (**Confirmations**).

You authorise Pershing (on behalf of the Broker) to give Confirmations to you electronically to the email address notified to Pershing by the Broker on your behalf from time to time for this purpose. Pershing may not provide you with paper copies of Confirmations.

You agree to promptly check the accuracy of every Confirmation sent to you and to notify the Broker immediately of any error that you

consider may have occurred. In the absence of such notification from you within 24 hours, you will be taken to have accepted the accuracy of the Confirmation.

A Confirmation may at any time be re-issued to you in order to correct any errors or omissions and the terms and conditions of the original Confirmation will apply in relation to the reissued Confirmation.

Where the Broker enters into multiple Transactions in order to complete your Order (whether on one or more Relevant Exchanges), you authorise Pershing on behalf of the Broker to accumulate those Transactions on a single Confirmation and to specify the volume weighted average price for those Transactions on that Confirmation. If requested by you, the Broker will, if required under the Market Integrity Rules, give you a statement of all the individual prices of the relevant transactions which are accumulated and averaged in a Confirmation.

If you are a Wholesale Client for the purposes of the Market Integrity Rules, the Broker may elect not to give any Confirmations to you in relation to Transactions executed for you. If the Broker so elects, these Terms and Conditions are taken to be the notification required to be given by the Broker to you under the Market Integrity Rules.

12. Failure to Settle

You acknowledge that, if you fail to make any payment due to Pershing or deliver any documents or Security Holder Information to Pershing or otherwise comply with the Settlement Obligations that you owe to Pershing in relation to a Transaction in accordance with these Terms and Conditions or the relevant Confirmation, if any (**fail to settle**), Pershing may do any one or more of the following:

- (a) charge an administration fee calculated by reference to the additional cost which may be incurred by Pershing or the Broker (including any fail fees imposed by a Relevant Exchange or ASX Clear) as a result of your failure to settle;
- (b) levy a default charge on the amount from time to time outstanding at a rate of up to 15.0% per annum;
- (c) sell out (or procure the sell out of) any Traded Products purchased (and you are fully responsible for any loss in connection with such sale) and apply the proceeds in reduction of your liability to Pershing and to recover Pershing's costs in so acting;
- (d) buy in (or procure the buy in of) any Traded Products sold (and you are fully responsible for any loss in connection with such purchase) and recover Pershing's costs in so acting;
- (e) sell out (or procure the sell out of) any Traded Products otherwise held on your behalf (and you are fully responsible for any loss in connection with such sale) and apply the proceeds in reduction of your liability to Pershing and to recover Pershing's costs in so acting;
- (f) apply any cash held by Pershing or a related body corporate of Pershing or the Broker on your account or to which they have access, or payments received for or from you in reduction of your liability to Pershing; or
- (g) instruct the Broker to cancel any of your unexecuted Orders, and you authorise Pershing and each of its directors and employees as your attorney to give instructions on your behalf in respect of your Traded Product holdings sponsored by Pershing or the Broker (or a related body corporate of either them) in CHESS, or held by a related body corporate of either of them in nominee holdings, and in respect of call deposit facilities or cash management trust accounts on which either Pershing or the Broker is authorised to give instructions, to enable Pershing to realise those Traded Products or funds and apply the proceeds in reduction of your liability to Pershing and to recover Pershing's costs in so acting.

If you fail to settle, Pershing may make arrangements on your behalf to ensure that your Settlement Obligations are performed (including by buying-in or borrowing the relevant Traded Products).

If you have not met your settlement obligations owed to Pershing in respect of a Transaction executed for you by the Broker by the date which is 4 Business Days after the Settlement Date and Time, it is Pershing's policy (and Pershing may be obliged under the ASX Settlement Rules), without any notice to you:

- (a) in the case of a purchase, to execute a Transaction to close out the failed purchase (by selling the relevant Traded Products); or
- (b) in the case of a sale, to execute a Transaction to close out the failed sale (by buying-in the relevant Traded Products), and recover any resulting loss from you.

You must pay or reimburse Pershing any such administration fees and default charges (together with any GST payable on those amounts) immediately upon demand or at Pershing's option it may deduct such administration fees and default charges (and any GST) from any sale proceeds or other amounts otherwise payable to you. The manner in which Pershing may exercise or not exercise, or the timing of or any delay in any exercise by Pershing of, any right of

Pershing under this clause is not to be taken to be financial product advice by Pershing to you, and you must not represent to any person that it is financial product advice by Pershing.

Pershing will not be liable to you for any failure by Pershing to exercise (or any delay in the exercise by Pershing of) any right Pershing may have against you, or any loss incurred by you as a result of Pershing not exercising any of its rights against you immediately, or at all, following any failure by you to comply with your obligations.

The rights described in this clause 12 are in addition to any rights that are conferred to Pershing under the Exchange Rules and the ASX Clear Rules.

13. Cancellations

Each Relevant Exchange has the power under the Exchange Rules to cancel or amend Transactions or Crossings. You authorise Pershing to, and agree that Pershing may, without your consent, cancel or amend (or request or agree to the cancellation or amendment of) any Transactions or Crossing relating to the sale or purchase (as the case may be) of Traded Products:

- (a) if requested to do so by the Broker in accordance with the Exchange Rules;
- (b) if a Relevant Exchange or a participant of the Relevant Exchange exercises its power under the Exchange Rules to cancel or amend (or require the cancellation or amendment of) the Transaction or Crossing; or
- (c) in the event of an Error or otherwise in the circumstances contemplated in the Exchange Rules.

Your obligations referred to in clause 4, and Pershing's obligations in relation to the settlement of a Transaction, will no longer apply in respect of a cancelled transaction from the time it is cancelled or, in the case of an amended Transaction, apply as amended.

14. Interest on Pershing's trust account

You acknowledge that Pershing will retain the interest (if any) earned on monies held in its trust account from time to time.

15. Assignment to the Broker of debts owed by you to Pershing

If you have not paid any debt to Pershing, you acknowledge that Pershing may (by notice to you and the Broker) assign that debt to the Broker and the assigned debt will become an obligation of yours owed to the Broker. In the event of such an assignment, the Broker (and each of its directors and employees) will have the rights and powers (and may do all the things) set out in clause 12 as if a reference to Pershing were a reference to the Broker.

16. Instructions and other communications to be given via the Broker

You acknowledge and agree that all communications given by you (including to provide instructions in respect of transactions in respect of Traded Products) are to be given by you to the Broker (such communications to be given in the form and manner agreed with the Broker from time to time) and the Broker will (as your agent) pass on your communication to Pershing.

17. Instructions by fax or e-mail

You acknowledge and agree that;

- (a) you are and will at all relevant times be authorised to make communications to the Broker (who will pass on those communications to Pershing on your behalf) (including as the case may be, to give instructions in respect of transactions in respect of Traded Products) by email and fax;
- (b) communication by email and/or fax is not a secure means of communication and involves higher risks of distortion, manipulation and attempted fraud;
- (c) fax communications may be of poor quality or unclear;
- (d) you authorise the Broker and Pershing to accept and act without any inquiry upon, communications (including instructions) provided by email and/or fax which appear to the Broker or Pershing to have been provided by or for you; and
- (e) you indemnify the Broker and Pershing in respect of any and all claims, liabilities, direct or consequential losses, costs, charges or expenses (of any nature) incurred or suffered by the Broker or Pershing as a result of the Broker or Pershing acting on communications (including instructions) provided by email and/or fax.

18. Indemnity

You must, to the maximum extent permitted by law, at all times and from time to time, indemnify and keep each of Pershing and its related bodies corporate and any of their respective directors, officers, contractors, agents and employees (each an **Indemnified Person**) harmless from and against all liabilities, losses, damages, costs or expenses directly or indirectly suffered by the Indemnified Person and from and against all actions, proceedings, claims or damages made against the Indemnified Person as a result of:

- (a) any transaction entered into by the Broker on your behalf;
- (b) any failure by you to settle;
- (c) any other breach by you of these Terms and Conditions;

- (d) any breach by you of any other agreement with Pershing;
 - (e) any breach by you of any representation or warranty made or taken to have been made by you (including without limitation in relation to any disclosure to be made in respect of sale Orders) not being true or correct,
- other than to the extent that the loss has resulted from Pershing's negligence, wilful default or fraud.

19. Credit references

You agree that Pershing may make such enquiries as it thinks fit of any person, including your employer, your bank or a credit agency relating to your creditworthiness.

20. Information

You warrant that all information provided by you to the Broker or Pershing is, or will be when given, accurate, true and correct and further agree to immediately notify Pershing in writing upon becoming aware that such information is no longer accurate, true and correct. You agree that Pershing and the Broker may share such information, as well as your account details and information regarding your transactions in Traded Products with each other and with Pershing's related bodies corporate on a confidential basis as Pershing considers appropriate. You also consent to Pershing and/or the Broker disclosing this information and your account details to any regulatory authority, and consent to Pershing and/or the Broker using such information and your account details for the purposes of monitoring compliance by you, the Broker and/or Pershing with their respective regulatory and contractual obligations, and resolving disputes. Your personal information may be disclosed to credit checking agencies as permitted by law.

You may request access to the personal information that Pershing holds about you.

21. Complaints

You have a right to complain about any aspect of your dealings with Pershing, and to have that complaint dealt with in accordance with Pershing's complaint resolution procedures. A summary of those procedures is set out below.

However, if your complaint relates to services provided by the Broker, your complaint should be dealt with in accordance with the Broker's complaint resolution procedures. If you have such a complaint please contact the Broker.

You have the right to have any complaint about the service you have received from Pershing, or any other aspects of your dealings with Pershing, investigated and dealt with as quickly as possible in accordance with Pershing's complaints resolution procedure.

To assist Pershing to respond appropriately to complaints, you are asked to set out complaints in writing, addressed to the Compliance Manager. You should include as much detail about the circumstances of your complaint as possible, including the name(s) of any Pershing staff involved. If available, copies of any background documentation should also be provided.

Following receipt of your complaint, the Compliance Manager will acknowledge receipt of it in writing and provide an estimate of the time it will take to investigate the circumstances. The Compliance Manager will fully investigate your complaint and follow up if further information is required from you. The Compliance Manager will then prepare a detailed written response to you after consideration of all relevant documents and following interviews with the involved employees and their manager(s), if required. The written response will be mailed or delivered to you.

As Pershing is a member of the Financial Ombudsman Service (FOS), Pershing will advise you if you continue to have a complaint that you have the option to pursue your complaint with FOS. FOS's contact details are:

Financial Ombudsman Service Limited
GPO Box 3
Melbourne VIC 3001
Telephone 1300 780 808
Facsimile (03) 9613 6399

If you are not satisfied with the response to your complaint, you may wish to pursue the matter with a Relevant Exchange. Alternatively, ASIC also has a freecall Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

22. Compensation arrangements

As Pershing is a Participant of one or more Relevant Exchanges, you may be entitled to make a claim on a compensation fund (such as the National Guarantee Fund (NGF) or the Chi-X Fidelity Fund) in the circumstances specified under Part 7.5 of the Corporations Act and the *Corporations Regulations 2001* (Cth). For more information on the circumstances in which you may make a claim or for information about compensation arrangements generally, contact the Securities Exchanges Guarantee Corporation Limited ABN 19 008 626 793 (in relation to queries about the NGF) or in relation to another Relevant Exchange, that Relevant Exchange.

Pershing has professional indemnity insurance which Pershing considers is adequate having regard to:

- (a) the volume and types of business carried on by it; the number and types of its clients; the number of its representatives; and
- (b) any particular or potential claims that may arise pursuant to our participation in external dispute resolution schemes, including the FOS scheme.

Pershing considers that these compensation arrangements satisfy the requirements of s 912B of the Corporations Act and associated regulations.

23. Sponsorship

If you are not currently sponsored by Pershing or the Broker, Pershing recommends that you enter into a Sponsorship Agreement with Pershing or the Broker to enable easy transfer of your Traded Products under CHES.

24. Joint Holder

If you are a joint holder, these Terms and Conditions bind each person jointly and severally, and each person is authorised to issue instructions to the Broker and give receipts to Pershing in relation to any purchase or sale of Traded Products or other matters to which these Terms and Conditions relate.

25. Amendment

These Terms and Conditions may be amended from time to time. Pershing will give you 10 days notice of any amendment, after which time, the amendment will become effective.

26. Governing law

These Terms and Conditions are governed by the law in force in New South Wales and you and Pershing submit to the non-exclusive jurisdiction of the courts of New South Wales and courts which may hear appeals from those courts.

27. Interpretation

APX means Asia Pacific Exchange Limited ACN 080 399 220.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691

ASX Clear means ASX Clear Pty Limited ABN 48 001 314 503, a wholly owned subsidiary of ASX.

ASX Clear Rules means the operating rules of ASX Clear as amended from time to time.

ASX Market Integrity 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.

ASX Settlement Rules means the operating rules of ASX Settlement as amended from time to time.

CHES means the **Clearing House Electronic Subregister System**

Chi-X means Chi-X Australia Pty Ltd ABN 47 129 584 667

Chi-X Market Integrity Rules means the *ASIC Market Integrity Rules (Chi-X Australia Market) 2011* as amended from time to time.

Chi-X Operating Rules means the operating rules of Chi-X as amended from time to time.

Confirmation has the meaning given to it in clause 11.

Corporations Act means the *Corporations Act 2001* (Cth)

Clearing Participant has the meaning given to it in the ASX Market Integrity Rules.

Crossing has the meaning given to it in the Market Integrity Rules.

Error has the meaning given to it in the Exchange Rules and in relation to Chi-X, has the meaning given to "error trade" in the Chi-X Operating Rules, and has the meaning of any equivalent term in any other Exchange Rules including without limitation "error" or "trade error".

Exchange Rules means the operating rules of each Relevant Exchange and the Market Integrity Rules.

Market means the means the market operated by the Market Operator under the Market Integrity Rules.

Market Integrity Rules means any market integrity rules made by ASIC in accordance with Part 7.2A of the Corporations Act, as amended from time to time, that apply to a Relevant Exchange, including, without limitation, the ASX Market Integrity Rules, the Chi-X Market Integrity Rules and the Competition Market Integrity Rules.

NSX means National Stock Exchange of Australia Limited ABN 11 000 902 063.

Order means an order or instruction for the sale, purchase, issue or redemption of Traded Products to be executed or facilitated by Broker.

Participant Sponsored Holding has the meaning given to it in the ASX Settlement Rules.

Relevant Exchange means ASX or Chi-X, NSX or APX and, without limitation, any other exchange on which Pershing transacts Orders, or the financial markets operated by them (as the context requires).

Traded Products has the meaning given to Cash Market Products in the ASX Market Integrity Rules (and includes an AQUA Product) and Equity Market Product in the Chi-X Market Integrity Rules and

for other Relevant Exchanges, means the cash equities products (excluding derivatives) admitted for quotation on the relevant market as described in the relevant Exchange Rules or Market Integrity Rules (as the context requires) for that Relevant Exchange.

Trading Participant has the meaning given to that term in the ASX Market Integrity Rules and to Market Participant in the Chi-X, APX or NSX Market Integrity Rules.

Transaction has the meaning given to Cash Market Transaction in the ASX Market Integrity Rules or Equity Market Transaction in the Chi-X Market Integrity Rules and for other Relevant Exchanges, has the meaning given to transaction in cash equities products (excluding derivatives) admitted for quotation on the relevant market as described in the relevant Exchange Rules or Market Integrity Rules (as the context requires) for that Relevant Exchange.

you means the person or persons in whose name the account is opened with the Broker or named on the account opening or application form as the client. If that is more than one person, "you" means each of them separately and every two or more of them jointly. "You" includes your successors and assigns.

Words expressed in the singular include the plural and vice versa. Unless the context otherwise requires, a reference to a document or agreement includes any variation or replacement of it and 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. Words used in this document have the meanings given to them in the Exchange Rules, ASX Clear Rules or ASX Settlement Rules. If you require a copy of these definitions please contact the Broker.

You agree that in the event of any inconsistency between this document and any applicable laws, the Exchange Rules, ASX Clear Rules or ASX Settlement Rules, the latter will prevail to the extent of the inconsistency. You acknowledge that this document is not exhaustive and agree to be bound by other policies and procedures which concern the operations of your account with the Broker as notified to you from time to time.

Pershing Securities Australia Pty Ltd
A Participant of ASX Group and Chi-X
ABN 60 136 184 962
AFSL 338264

PART F: CHESS SPONSORSHIP

to clients of the D2MX PTY LTD

ABN 98 113 959 596 AFSL No. 297950 (BROKER)

PERSHING'S EXPLANATION OF CHESS SPONSORSHIP

1. Explanation of Chess Sponsorship Agreement

This document explains the effect of the CHESS (Clearing House Electronic Subregister System) sponsorship agreement (Sponsorship Terms) if you (Client) enter into the Sponsorship Agreement with Pershing Securities Australia Pty Ltd (Pershing). It is important that you read this explanation and the Sponsorship Terms and understand their content before signing the Client Application Form (which includes the Sponsorship Terms). By signing the Client Application Form, you acknowledge that you have understood the effect of the Sponsorship Terms. You are entitled to receive a copy of the executed Sponsorship Terms. You can request a copy of the executed Sponsorship Terms by contacting the Intermediary.

2. What is the purpose of the Sponsorship Terms?

The Sponsorship Terms appoint us as your "controlling participant" on CHESS. CHESS is a system of registering financial products on computer so instead of holding certificates to show that you own shares or other financial products, under CHESS you have financial products registered in your name to show that you own them. CHESS is operated by ASX Settlement Pty Ltd ABN 49 008 504 532 (ASX Settlement) under the ASX Settlement Rules. Only certain people may control financial products on CHESS (we fall under one of these categories). By signing the Client Application Form, you appoint us as your controlling participant to control your holding of financial products on CHESS. In other words, we "sponsor" your holdings of financial products on CHESS.

3. Explanation of the Sponsorship Terms

a. Our authority and obligations: clause 2 Sponsorship Terms

In clause 2 you authorise us to act as your agent on CHESS in respect of your holding(s) of the financial products identified by your HIN on Client Application Form.

Clause 2 also sets out our obligations in relation to the transfer of financial products into or out of your holding. Importantly, we will not usually initiate any transfer or conversion of financial products into or out of your holding without your express authority. However, in limited circumstances, for example, if we ask that you pay for financial products and the purchase price for those financial products remains unpaid, we may sell those financial products at your risk and expense.

Clause 2 also identifies the regulatory regime which applies to us and with whom a complaint against us may be lodged.

b. Acknowledgements by you: clause 3 of the Sponsorship Terms

Clause 3 of the Sponsorship Terms contains certain acknowledgements by you. These acknowledgments are that:

- i. you have understood the effect of these Sponsorship Terms;
- ii. if you die or become bankrupt, your sponsored holdings will be locked (the "holder record lock");
- iii. if you die, the Sponsorship Terms remain in operation, with your legal representative authorised to administer your estate for up to three months after the removal of the holder record lock;
- iv. if we are not a Market Participant of ASX, neither ASX nor a Related Body of ASX has any responsibility for supervising or regulating the relationship between you and us (we note however that we are a Market Participant of ASX);
- v. in the event of your death or bankruptcy, where a joint holding exists, we will establish a new holder record in the name of your joint holder or take steps to protect the interest of the joint holder not subject to the bankruptcy order.
- vi. if a transfer of a financial product included in your holding is effected in accordance with the ASX Settlement Rules, then:
 1. you may not assert or claim against ASX Settlement or the relevant issuer of the financial product that we were not authorised by you to effect that transfer; and
 2. unless the transfer was taken to have been effected by a Market Participant of ASX or a Clearing Participant of ASX Clear, you have no claim arising out of the transfer against the national guarantee fund under the Corporations Regulations (again we note however that we are both a Market Participant of ASX and a Clearing Participant of ASX Clear).

c. Security, other interests and sub-positions: clause 4 of the Sponsorship Terms

If you instruct us to lodge financial products as cover for written position in relation to exchange traded options or advise us that an interest has been or will be created over financial products, you give us authority to give effect to your instructions. Note that we must always act within the ASX Settlement Rules.

d. Security, other interests and sub-positions: clause 4 of the Sponsorship Terms

You must promptly give us any information or documents we ask for to enable us to perform our obligations to act as your controlling participant or comply with the ASX Settlement Rules and requirements.

e. Security, other interests and sub-positions: clause 4 of the Sponsorship Terms

Clause 6 states that you must pay us fees under the Sponsorship Terms as advised by us from time to time. There are currently no fees payable by you in connection with the Sponsorship Terms. In clause 6, you also indemnify us – that is, you agree to be responsible for and pay on our demand – for liabilities, losses or costs we suffer or incur:

- i. in connection with performing our obligations under the Sponsorship Terms;
- ii. in connection with us acting as your controlling participant or agent for the purposes of CHES; or
- iii. if you do something you agree not to do, or don't do something you agree to do, under the Sponsorship Terms.

Under clause 6 you also authorise us to debit any amount you owe us to any account you have with us.

f. Suspension from CHES: clause 7 of the Sponsorship Terms

If we are suspended from CHES participation, you may instruct ASX Settlement to remove your sponsored holdings from the CHES subregister or move them to another controlling participant in CHES. If you do not give ASX Settlement such notice within 20 business days, ASX Settlement may change your CHES sponsor.

g. Complaint procedures: clause 8 of the Sponsorship Terms

You have certain rights if you wish to claim compensation or make a complaint against us. In particular, if we breach the Sponsorship Terms, you may refer that breach to any regulatory authority including ASX Settlement. If we breach a provision of the Sponsorship Terms and you make a claim against us, our ability to satisfy that claim will depend on our financial position. If a breach by us of a provision of the Sponsorship Terms falls within the circumstances specified in Part 7.5, Division 4 of the Corporations Regulations, you may make a claim on the National Guarantee Fund for compensation.

h. Change of controlling participant: clause 9 of the Sponsorship Terms

Clause 9 contains provisions setting out what is to happen if there is a significant change to the organisational structure of our group or the whole of our business is to be transferred to another controlling participant. In particular, those provisions provide for the novation of the Sponsorship Terms to another controlling participant without the need for you to sign a new sponsorship agreement.

i. Termination: clause 10 of the Sponsorship Terms

The Sponsorship Terms are terminated if we become insolvent, if our participation on CHES is terminated/suspended, if either party notifies the other that it wants to terminate the Sponsorship Terms, or if you give us a withdrawal instruction under rule 7.1.10(c) of the ASX Settlement Rules. Note that while one of these events will bring the Sponsorship Terms to an end, the rights and obligations which have occurred before that time are not affected.

j. ASX Settlement Rules: clause 11 of the Sponsorship Terms

If there is an inconsistency between a part of the Sponsorship Terms and the ASX Settlement Rules, the ASX Settlement Rules will prevail to the extent of that inconsistency.

You have the obligation under clause 11 not to do anything to prevent or hinder us from complying with our obligations under the ASX Settlement Rules.

k. Miscellaneous: clauses 12 to 18 of the Sponsorship Terms

These clauses deal with several important procedural and legal matters.

Clause 12 clearly sets out the procedure for formal communications between you and us. Importantly, if you give instructions to the Intermediary, we are not obliged to act in accordance with those instructions until they are actually passed on to us. Clauses 13 and 14 set out the procedure we will follow if we want to waive or vary a provision of the Sponsorship Terms. Note that we usually need your written consent if we want to vary a provision. Clauses 15 and 16 of the Sponsorship Terms state that you are entitled to receive a copy of the Sponsorship Terms executed by you and us, and that you instruct us not to send you a hard copy of the Sponsorship Terms executed by us. However, if you ask us at any time, we will send to you a hard copy executed by us. You can request a copy of the executed Sponsorship Terms by contacting your Adviser.

l. Meaning of words

At the end of the provisions section of the Sponsorship Terms is a dictionary which explains the meaning of key words which appear in the Sponsorship Terms.

If you have any questions about the Sponsorship Terms, please contact the Compliance Manager at Pershing, Level 2, 1 Bligh Street, Sydney NSW, Telephone 02 8999 4000.

PERSHING SPONSORSHIP AGREEMENT

Parties

The client named on the application form (**Client**); and
Pershing Securities Australia Pty Ltd, ABN 60 136 184 962, AFSL
No. 338264 (**Pershing**).

1. WHAT IS CHESS?

1.1 CHESS is a system of registering financial products on computer. It is operated by ASX Settlement under the ASX Settlement Rules. Instead of receiving a certificate in respect of your shares or other financial products, you receive a holding statement.

1.2 Only certain categories of people may control financial products on CHESS (Pershing falls within one of these categories). Other people who have financial products on CHESS need their holding "sponsored" by a "controlling participant" for the purposes of CHESS. These Sponsorship Terms relate to your appointment of us as your "controlling participant".

2. PERSHING'S AUTHORITY AND OBLIGATIONS

2.1 The Client appoints Pershing as its Controlling Participant for CHESS to provide transfer and settlement services as agent for the Client with respect of the Client's holding with the Holder Identification Number (HIN) identified on the Client Application Form. A HIN is a number that is used to identify a holding in CHESS. The Client authorises Pershing as the Client's agent to do any act under CHESS relating to the Client's holding.

2.2 Subject to clause 9, Pershing will not initiate any transfer or conversion into or out of the Client's holding sponsored under these Sponsorship Terms without the Client's express authority.

2.3 Subject to clause 2.4, Pershing is not obliged to transfer financial products into the Client's holding where payment for those financial products has not been received, until payment is received. If the Client authorises Pershing to purchase financial products the Client will pay for that purchase within 2 business days from the day of date of the purchase.

2.4 If Pershing demands that the Client pay for financial products, but the purchase price for those for financial products remains unpaid, Pershing may sell those financial products at the Client's risk and expense (including any brokerage, stamp duty, GST and other applicable charges).

2.5 If Pershing claims that the Client has not paid Pershing an amount lawfully owed to Pershing, Pershing can refuse to comply with the Client's withdrawal instructions (but only to the extent necessary to retain in the Client's holding sponsored under these Sponsorship Terms financial products with a value equal to 120% of the current market value of the amount claimed).

2.6 Subject to clauses 2.4 and 2.5, Pershing will initiate any transfer, conversion or other action necessary to give effect to withdrawal instructions within the scheduled time.

2.7 The regulatory regime which applies to Pershing is Chapter 7 of the Corporations Act, the ASIC Market Integrity Rules, the operating rules of ASX Clear and the ASX Settlement Rules. The Client can obtain information as to Pershing's status from ASIC, ASX, ASX Clear and ASX Settlement.

2.8 A complaint against Pershing may be lodged by the Client with Pershing, ASIC, ASX, ASX Clear, ASX Settlement or the Financial Ombudsman Service (whose postal address is GPO Box 3, Melbourne, VIC, 3001). The Client may lodge a claim for compensation with Pershing or, if the circumstances specified in Part 7.5, Division 4 of the Corporations Regulations apply, with the National Guarantee Fund.

3. ACKNOWLEDGEMENTS BY THE CLIENT

3.1 The Client acknowledges that:

- (a) before the Client signs these Sponsorship Terms Pershing provided the Client with an explanation of the effect of these Sponsorship Terms and the Client understood the effect of these Sponsorship Terms;
- (b) if the Client dies or becomes bankrupt, a holder record lock will be applied to all the Client's holdings sponsored under these Sponsorship Terms in accordance with rules 8.15.8 to 8.15.11 of the ASX Settlement Rules (unless the Client's legally appointed representative or trustee elects to remove those holdings from the CHESS subregister);
- (c) if the Client dies, these Sponsorship Terms are deemed to remain in operation in respect of the legally appointed representative authorised to administer the Client's estate for a period of up to three calendar months after the removal of the holder record lock pursuant to rule 8.16.3 of the ASX Settlement Rules (unless the Client's legally appointed

representative elects to remove the holdings sponsored under these Sponsorship Terms from the CHESS subregister); and
(d) if Pershing is not a Market Participant of an Approved Market Operator, neither the Approved Market Operator, nor a Related Party of the Approved Market Operator, has any responsibility for regulating the relationship between the Client and Pershing, other than in relation to the rules relating to sponsorship agreements.

3.2 If the Client is a joint holder, the Client also acknowledges that:
(a) if one of the joint holders dies, all holdings under the joint holder record must be transferred into new holdings under a new holder record in the name of the surviving holder(s) (these Sponsorship Terms remains valid for the new holdings under the new holder record); and

- (b) if one of the joint holders becomes bankrupt, Pershing will:
 - (i) establish a new holder record in the name of the joint holder that is bankrupt, transfer that person's interest into new 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 holdings from the CHESS subregister); and
 - (ii) establish a new holder record in the names of the other joint holders and transfer their interest into new holdings under the new holder record.

3.3 The Client acknowledges that if a transfer is taken to be effected by the Client under Section 9 of the ASX Settlement Rules and the Source Holding for the transfer is a Participant Sponsored Holding under these Sponsorship Terms, then:

- (a) the Client may not assert or claim against ASX Settlement or the relevant Issuer that the transfer was not effected by Pershing or that Pershing was not authorised by the Client to effect the transfer; and
- (b) unless the transfer was taken to have been effected by a Market Participant of an Approved Market Operator or a Clearing Participant of ASX Clear, the Client has no claim arising out of the transfer against the compensation arrangement applicable to the Approved Market Operator or the Clearing Participant of ASX Clear under the Corporations Act and Corporations Regulations.

4. SECURITY, OTHER INTERESTS AND SUB-POSITIONS

4.1 If the Client instructs Pershing that financial products are to be lodged with ASX Clear as cover for written positions in the market for exchange traded options operated by ASX, the Client authorises Pershing to take whatever action is required by ASX Clear or the ASX Settlement Rules to give effect to that cover.

4.2 If Client instructs Pershing that a charge or other interest in financial products has been or is to be given to a person, then the Client authorises Pershing to take whatever action is reasonably required by that person in accordance with the ASX Settlement Rules to give effect to or record that interest

4.3 Pershing may take steps to create a subposition over the Client's holding in the circumstances contemplated by clauses 4.1 or 4.2. Pershing may also create a subposition if the Client consents. If Pershing does this, the Client's ability to transfer, convert or otherwise deal with the financial products will be restricted in accordance with the ASX Settlement Rules.

5. INFORMATION

5.1 The Client must promptly give Pershing any information or documents that Pershing asks for to enable Pershing to:

- (a) perform its obligations or to act as the Client's "controlling participant" or agent under these Sponsorship Terms; or
 - (b) comply with the requirements of ASX Settlement or the ASX Settlement Rules.
- 5.2 The Client must, in respect of each holder record (which exists or is to be created) for the Client, ensure that Pershing is advised of the registration details (including any applicable residency indicator).
- 5.3 The Client must ensure that the information referred to in clause 5.2 above is provided to Pershing:
- (a) as soon as possible after the Client places an order with a trading participant (including an order relating to FOR financial products) but in any event, not later than 2 business days prior to the scheduled settlement date of the relevant market transaction; and
 - (b) if the Client's registration details have changed, as soon as possible after that time.
- 5.4 If the Client does not ensure that Pershing is advised of a residency indicator but Pershing has been provided with a street address, then Pershing will be taken to have been advised that, if the relevant street is:

- (a) a street located in Australia, a residency indicator of "D" (for domestic) applies with respect to that holder record; or
 - (b) a street located outside Australia, a residency indicator of "F" (for foreign) applies with respect to that holder record.
- 5.5 If Pershing suffers any claim, liability, direct or consequential loss (including to ASX Settlement or an issuer) or incur any cost, charge or expense of any nature as a result of the Client providing (or procuring the provision) or being taken to provide inaccurate registration details, or failing to provide (or procure the provision of) accurate registration details, the Client must on demand fully indemnify Pershing and keep Pershing fully indemnified in respect of such claim, liability, loss, cost, charge or expense:
- (a) as soon as possible after the Client places an order with a trading participant (including an order relating to FOR financial products) but in any event, not later than 2 business days prior to the scheduled settlement date of the relevant market transaction; and
 - (b) if the Client's registration details have changed, as soon as possible after that time.
- 5.6 Information or documents the Client gives to Pershing may be disclosed:
- (a) to any person for these purposes;
 - (b) if required by any regulatory authority (including ASX Settlement) or if allowed or required by law; or
 - (c) to Pershing's officers, employees, advisers and agents; or
 - (d) with the Client's consent; or
 - (e) to enable Pershing to enforce its rights.
- 6. FEES AND INDEMNITIES**
- 6.1 The Client must pay Pershing fees in connection with these sponsorship arrangements as advised by Pershing from time to time.
- 6.2 If the Client does not pay Pershing an amount when it is due, Pershing can charge interest on the overdue amount. Pershing does this using the method and interest rate Pershing determines from time to time.
- 6.3 The Client indemnifies Pershing against, and the Client must therefore pay Pershing on demand for liability, loss or costs (including consequential or economic loss) Pershing suffers or incurs:
- (a) in connection with Pershing performing its obligations under these Sponsorship Terms; or
 - (b) in connection with Pershing acting as the Client's "controlling participant" or agent for the purposes of CHES; or
 - (c) if the Client does something that the Client agrees not to do, or don't do something that the Client agrees to do, under these Sponsorship Terms.
- 6.4 The Client must pay to Pershing these amounts when Pershing asks. Pershing may also debit any of these amounts to any account the Client has with Pershing even if Pershing does not expressly ask the Client to pay Pershing.
- 6.5 The indemnity in clause 6.3 is a continuing obligation, independent of the Client's other obligations to Pershing. It continues even after these Sponsorship Terms are terminated. It is not necessary for Pershing to incur expense or make payment before enforcing a right of indemnity conferred by these Sponsorship Terms.
- 7. SUSPENSION FROM CHES**
- 7.1 If Pershing is suspended from CHES participation, (subject to the assertion of an interest in financial products controlled by Pershing, by the liquidator, receiver, administrator or trustee of Pershing) the Client has the right, within 20 business days of ASX Settlement giving notice of the suspension, to give a notice to ASX Settlement requesting that the Client's holdings sponsored under these Sponsorship Terms be removed either:
- (a) from the CHES subregister; or
 - (b) from Pershing's control to the control of another Sponsoring Participant with whom the Client has entered into a valid sponsorship agreement pursuant to rule 12.19.10 of the ASX Settlement Rules.
- If the Client does not give ASX Settlement such a notice, ASX Settlement may effect a change of controlling participant under rule 12.19.11 of the ASX Settlement Rules, in which case the Client will be deemed to have entered into a new sponsorship agreement with the substitute controlling participant on the same terms as these Sponsorship Terms. Where the Client is deemed to have entered into a new sponsorship agreement in accordance with this clause, the controlling participant must enter into a sponsorship agreement with the Client within 10 Business Days of the change of controlling participant.
- 8. COMPLAINT PROCEDURES**
- 8.1 Except as referred to in clause 8.2, no external compensation arrangements apply to the Client in relation to this sponsorship agreement.
- 8.2 If Pershing breaches a provision of these Sponsorship Terms and the Client makes a claim for compensation pursuant to that breach, Pershing's ability to satisfy that claim will depend upon Pershing's financial circumstances.
- 8.3 If a breach by Pershing of a provision of this falls within the circumstances specified under Part 7.5, Division 4 of the Corporations Regulations, the Client may make a claim on the National Guarantee Fund for compensation.
- 8.4 If Pershing breach these Sponsorship Terms, the Client may refer that breach to any regulatory authority, including ASX Settlement.
- 9. CHANGE OF CONTROLLING PARTICIPANT**
- 9.1 If the Client receives a Participant Change Notice from Pershing of the Participant Sponsored Holding and the Participant Change Notice was received at least 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 9.2 or 9.3.
- 9.2 The Client may choose to terminate these Sponsorship Terms by giving withdrawal instructions under the ASX Settlement Rules to Pershing indicating whether the Client wants to:
- (a) transfer the Client's Participant Sponsored Holding to another controlling participant; or
 - (b) transfer the Client's Participant Sponsored Holding to one or more Issuer Sponsored Holdings.
- 9.3 If the Client do not take any action to terminate the agreement in accordance with clause 9.3 above, and do not give any other instructions to Pershing which would indicate that the Client does not agree to the change of controlling participant then, subject to clause 9.8, on the Effective Date these Sponsorship Terms will have been taken to have been 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 these Sponsorship Terms in substitution for the existing controlling participant; and
 - (b) the existing controlling participant is released by the Client from any obligations arising on or after the Effective Date.
- 9.4 The novation in clause 9.3 will not take effect until the Client has received a notice from the new controlling participant confirming that the new controlling participant consents to acting as the controlling participant for you. The Effective Date may as a result be later than the date set out in the Participant Change Notice.
- 9.5 The Client will be taken to have consented to the events referred to in clause 9.4 by the doing of any act which is consistent with the novation of these Sponsorship Terms 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.
- 9.6 These Sponsorship Terms continues for the benefit of the existing controlling participant 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 9.3 not binding or effective on the Effective Date, then these Sponsorship Terms will continue for the benefit of the existing controlling participant until such time as the novation is effective, and the existing controlling participant will hold the benefit of these Sponsorship Terms on trust for the new controlling participant.
- 9.7 Nothing in clauses 9.1 to 9.6 will prevent the completion of CHES transactions by the existing controlling participant where the obligation to complete those transactions arises before the Effective Date and these Sponsorship Terms will continue to apply to the completion of those transactions, notwithstanding the novation of these Sponsorship Terms to the new controlling participant under clauses 9.1 to 9.6.
- 9.8 If the new controlling participant is not accredited under the ASX Settlement Rules to facilitate the settlement of AQUA Products and the Client's holding contains AQUA Products, Pershing will convert the AQUA Product holdings to Issuer Sponsored Holdings.
- 10. TERMINATION**
- 10.1 Subject to the ASX Settlement Rules, these Sponsorship Terms are terminated:

- (a) if either party notifies the other in writing that it wants to terminate these Sponsorship Terms (in which case these Sponsorship Terms are terminated from the time the notice is received unless a later time is specified in this notice);
 - (b) if Pershing becomes insolvent;
 - (c) if Pershing's status as a Participant of CHES is terminated or suspended; or
 - (d) upon the giving of a withdrawal instruction by the Client to Pershing in accordance with rule 7.1.10(c) of the ASX Settlement Rules.
- 10.2 The termination of these Sponsorship Terms does not affect any rights or obligations that have accrued before that time.
- 11. ASX SETTLEMENT RULES**
- 11.1 These Sponsorship Terms are subject to the ASX Settlement Rules. The Client must not do anything that would prevent or hinder Pershing from complying with its obligations under the ASX Settlement Rules.
- 11.2 If these Sponsorship Terms are inconsistent with the ASX Settlement Rules, the ASX Settlement Rules prevail to the extent of the inconsistency.
- 12. MISCELLANEOUS**
- 12.1 Unless otherwise required or permitted by Pershing or by the ASX Settlement Rules, notices and other communications (each a Notice) under these Sponsorship Terms must be signed by or on behalf of the person giving it, addressed to the person to whom it is to be given and:
- (a) delivered to that person's address;
 - (b) sent by pre-paid mail to that person's address;
 - (c) transmitted by facsimile to that person's address; or
 - (d) transmitted by electronic mail to that person's address.
- 12.2 A Notice given to a person in accordance with this clause is treated as having been given and received:
- (a) if delivered to a person's address, on the day of delivery if a Business Day, otherwise on the next Business Day;
 - (b) if it is sent by pre-paid mail on the third Business Day after posting;
 - (c) if transmitted by facsimile to a person's address and a correct and complete transmission report is received, on the day of transmission if a Business Day, otherwise on the next Business Day; and
 - (d) if transmitted by electronic mail to a person's e-mail address and a correct and complete transmission report is received, on the day of transmission if a Business Day, otherwise on the next Business Day.
- 12.3 Where the Client is a joint holder, Pershing may treat a notice or other communication (including instructions) signed or received from one of the joint holder's as binding on all of them.
- 13. COMMENCEMENT OF PROVISIONS, WAIVER AND VARIATION**
- 13.1 Pershing can vary these Sponsorship Terms by giving the Client written notice of the variation. Pershing will give you:
- (a) at least 8 business days notice of the variation of the variation is, in Pershing's reasonable opinion, to remove any inconsistency between these Sponsorship Terms and the ASX Settlement Rules; and
 - (b) at least 20 business days notice in other cases.
- 13.2 Subject to clause 13.1, a provision of these Sponsorship Terms, or a right created under it, may not be waived or varied except in writing signed by the party or parties to be bound.
- 13.3 Where this agreement contains provisions which come into effect by operation of the ASX Settlement Rules on a particular date (**provision effective date**) and the provision effective date is after the date of the agreement, those provisions only have effect from the provision effective date. You can obtain details of any such provisions and effective dates from the Intermediary.
- 14. SET OFF**
- 14.1 Pershing may set off any amount Pershing owes the Client against any amount the Client owes Pershing or any of Pershing's related companies.
- 15. APPLICABLE LAW**
- 15.1 These Sponsorship Terms are governed by the laws in force in New South Wales. The Client and Pershing submit to the non-exclusive jurisdiction of the courts of New South Wales.

16. COPIES OF THESE SPONSORSHIP TERMS

- 16.1 The Client is entitled to receive a copy of these Sponsorship Terms executed by Pershing. By returning one copy signed by the Client, the Client instructs Pershing not to send to it a hard copy of these Sponsorship Terms executed by Pershing. However, if the Client asks Pershing to, Pershing will provide the Client at any time with a hard copy of these Sponsorship Terms executed by both parties.

17. MEANING OF WORDS

ASX Clear means Australian Clearing House Pty Limited ABN 48 001 314 503.

ASIC means the Australian Securities and Investments Commission.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532) and its agents appointed under the ASX Settlement Rules.

ASX Settlement Rules means the business rules of ASX Settlement for CHES.

ASX means ASX Limited ABN 98 008 624 691.

bankrupt means being in a state of "bankruptcy" as that term is defined in the ASX Settlement Rules.

business day has the meaning given in the ASX Settlement Rules. Generally, it means any day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and a day that Australian Stock Exchange Limited declares is not a business day.

CHES stands for Clearing House Electronic Subregister System and has the meaning given in the ASX Settlement Rules. It is a system of registering financial products on computer.

CHES subregister has the meaning given in the ASX Settlement Rules. Generally, it means that part of a register of financial products that is administered by ASX Settlement.

controlling participant has the meaning given to it in the ASX Settlement Rules. Generally it means a person who has the capacity in CHES to transfer financial products in and out of a sponsored holding.

conversion has the meaning given in the ASX Settlement Rules. Generally, it means the movement of financial products from one holding on one subregister to another holding on another subregister without a change in legal ownership.

costs includes charges and expenses (including stamp duty and other government charges); and costs, charges and expenses in connection with legal and other advisers on a full indemnity basis.

financial products has the meaning given in the ASX Settlement Rules.

FOR financial products has the meaning given in the ASX Settlement Rules. In general, it refers to financial products which, because of legislation or a governing instrument, must not be owned beyond a specified limit by foreign persons.

holder record has the meaning given in the ASX Rules. Generally, it means the details recorded by securities clearing house in CHES for the purpose of operating one or more holdings.

holder record lock has the meaning given in the ASX Settlement Rules. Generally, it means the facility in CHES for preventing financial products from being deducted from a holding.

holding has the meaning given in the ASX Settlement Rules. Generally, it means a holding of financial products by a person, including, when introducing an example does not limit the meaning of the word to which the example relates to that example of examples of a similar kind.

issuer has the meaning given in the ASX Settlement Rules.

market transaction has the meaning given in the ASX Settlement Rules.

Registration Details has the meaning given in the ASX Settlement Rules. In general, it refers to the Client's name, address and a Residency Indicator.

residency indicator has the meaning given in the ASX Settlement Rules. In general, it refers to a code (being "D" for domestic, "F" for foreign and "M" for mixed) used to indicate the status for the purposes of the relevant legislation or governing instrument of the ultimate beneficial owner of FOR Financial Products in a holding on CHES.

scheduled time has the meaning given in the ASX Settlement Rules. The scheduled time varies depending on the act to which it relates.

subposition has the meaning given in the ASX Settlement Rules. Generally, it means an arrangement under which activity relating to the financial products may be restricted and access to the financial products given to a person other than the Client's normal sponsor.

trading participant has the meaning given in the ASX Settlement Rules.

transfer has the meaning given in the ASX Settlement Rules. Generally, it means a transfer of financial products to or from a holding on CHES.

withdrawal instructions has the meaning given in the ASX Settlement Rules. Generally, it means the instructions by a person who is sponsored on CHESS for the withdrawal of financial products from the sponsored holdings.

Certain definitions refer to the ASX Settlement Rules. The Client should read those rules for the full terms of the definitions. The definition may change from time to time if the ASX Settlement Rules are changed.

The singular includes the plural and vice versa.

A reference to:

a document (including the ASX Settlement Rules) or agreement includes any variation or replacement of it;
law means common law, principles of equity, and laws made by parliament (and laws made by parliament include regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them); and any thing includes the whole and each part of it

PART G: PERSHING DIRECT DEBIT REQUEST AND SERVICE AGREEMENT

DIRECT DEBIT REQUEST

If you complete Section 13 on the Application Form and sign the Application Form in the manner required, you:

- (a) request and authorise Pershing (Debit User Identification number 483229) to arrange for any amount which you owe to Pershing from time to time to be debited through the Bulk Electronic Clearing System and paid to Pershing from the account you have nominated the Application Form;
- (b) authorise Pershing to debit in accordance with the Direct Debit Agreement the account nominated by you in the Application Form with any amount Pershing may debit or charge you; and
- (c) acknowledge having read and understood, and agree to be bound by, the terms in the Direct Debit Agreement below.

DIRECT DEBIT REQUEST SERVICE AGREEMENT

1. DEFINITIONS

In this Direct Debit Agreement:

Account means the account identified as the direct debit account in Part 13 of the Application Form, but only if that account is held with a Financial Institution.

Banking day means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia, or where there is a public holiday simultaneously in Victoria and New South Wales.

Debit Day means the day that payment is due from you to Pershing.

Debit Payment means a particular transaction where a debit is made.

Direct Debit means the direct debit request which you make to Pershing by completing Part 13 of the Application Form and signing the Application Form.

Financial Institution means a financial institution with whom Pershing has a direct debit facility arrangement. Please contact your adviser to check whether Pershing has a direct debit facility arrangement with Your Financial Institution.

Your Financial Institution means the Financial Institution at which the Account is kept.

2. DEBITING THE CLIENT'S ACCOUNT

- 2.1 By completing Section 13 of the Application Form and signing the Application Form in the manner prescribed, you authorise Pershing to arrange for funds to be debited from the Account and you warrant and represent that you are duly authorised to request the debiting of payments from the nominated bank account.
- 2.2 Pershing will only arrange for funds to be debited from the Account as authorised in the direct debit request.
- 2.3 If the Debit Day falls on a day that is not a Banking day, Pershing may direct Your Financial Institution to debit the account on the following Banking day. If you are unsure about the day on which the Account has or will be debited, you should ask Your Financial Institution.

3. YOUR OBLIGATIONS

- 3.1 It is your responsibility to ensure that there are sufficient clear funds available in the Account to allow a Debit Payment to be made in accordance with the Direct Debit Request.
- 3.2 If there are insufficient funds in the Account to meet a Debit Payment:
 - (a) you may be charged a fee and/or interest by Your Financial Institution;
 - (b) you may also incur fees or charges imposed or incurred by Pershing; and
 - (c) you must arrange for the Debit Payment to be made by another method or arrange for sufficient clear funds to be in the Account by an agreed time so that Pershing can process the Debit Payment.
- 3.3 You should check the Account statement to verify that the amounts debited from the Account are correct.
- 3.4 If Pershing is liable to pay goods and services tax (**GST**) on a supply made in connection with this agreement, then you agree to pay Pershing on demand an additional amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

4. CHANGES

- 4.1 You may request deferment of, or alteration to, suspension of these direct debit arrangements or stop any debit item by providing signed written instructions to your financial adviser.
- 4.2 You may also cancel your authority for Pershing to debit the Account by providing notice to your financial adviser.
- 4.3 Pershing may make changes or terminate these arrangements at any time by giving 14 days notice in writing to you.

5. DISPUTE

- 5.1 If you believe that there has been an error in debiting the Account, you should notify Pershing directly on (02) 8999 4000 and confirm that notice in writing as soon as possible by faxing to (02) 8999 4099 or positing to GPO Box 5343, Sydney NSW 2001.
- 5.2 If Pershing concludes as a result of our investigations that the Account has been incorrectly debited Pershing will arrange for Your Financial Institution to adjust the Account accordingly. Pershing will also notify you in writing of the amount by which the Account has been adjusted.
- 5.3 If Pershing concludes as a result of our investigations that the Account has not been incorrectly debited Pershing will provide you with reasons and any evidence for this finding.
- 5.4 Any queries about an error made in debiting the Account should be directed to Pershing in the first instance (and not to Your Financial Institution) so that Pershing can attempt to resolve the matter with you. If the matter cannot be resolved in this manner Pershing may refer it to Your Financial Institution which will obtain details from you of the disputed transaction.

6. ACCOUNTS

Pershing recommends that you:

- (a) confirm with Your Financial Institution whether direct debiting through the Bulk Electronic Clearing System (BECS) is available from the Account as direct debiting may not be available on all accounts offered by Your Financial Institution; and
- (b) check that the Account details provided to Pershing are correct by checking them against a recent Account statement.

7. CONFIDENTIALITY

- 7.1 Pershing will keep any information (including Account details) in your Direct Debit confidential.
- 7.2 Pershing will only disclose information that it has about you:
 - (a) to the extent specifically required by law; or
 - (b) for the purposes of this Direct Debit Agreement (including disclosing information in connection with any query or claim); or
 - (c) as permitted by the Terms.

8. GOVERNING LAW

These terms are governed by the laws in force in New South Wales

PART H: PERSHING DERIVATIVES CLIENT AGREEMENT

between a client of the
D2MX PTY LTD
ABN 98 113 959 596 AFSL No. 297950
(BROKER)

and
PERSHING SECURITIES AUSTRALIA PTY LTD
ABN 60 136 184 962 AFSL No. 338264 (Pershing)

1. INSTRUCTIONS

1.1 ASX Derivative Products

The client named in the above Client Application Form (**Client**) may from time to time instruct the Broker to deal in the following kinds of derivatives which are traded on ASX:

- (a) Options Market Contracts (sometimes referred to as Exchange Traded Options); and
 - (b) other kinds of derivatives traded on ASX.
- but not including Futures Market Contracts (**ASX Derivative Products**).

1.2 Authorisation of additional ASX Derivative Products

If the Client gives instructions to the Broker to deal in an ASX Derivative Product in which the Broker is not authorised to deal under this clause, those instructions are taken to vary this agreement to authorise the Broker to deal in that ASX Derivative Product under this clause.

1.3 Right to refuse to deal

The Client acknowledges that:

- (a) Pershing may (and may instruct the Broker to) at any time refuse to deal in, or may limit dealings in, ASX Derivative Products for the Client. Pershing will notify the Client of any refusal or limitation as soon as practicable; and
- (b) [**ASX Clear Minimum Term 4**] Pershing is not required to act in accordance with the Client's instructions, where to do so would constitute a breach of the ASX Clear Rules, the ASX Operating Rules, ASIC Market Integrity Rules or the Corporations Act.

1.4 Authority to act on instructions

The Client authorises Pershing to accept and act without any inquiry upon instructions provided (including orders placed) by fax or e-mail which appear to Pershing to have been given by the Client, the Broker or by any other person on behalf of the Client, and indemnifies Pershing in respect of any losses or expenses that Pershing may suffer or incur as a result of so acting.

2. CLEARING ARRANGEMENTS AND RELATIONSHIP WITH ASX AND ASX Clear

2.1 Clearing Agreement between the Broker and Pershing

The Broker is a Market Participant of ASX and is a party to a Clearing Agreement with Pershing for the purposes of the ASX Operating Rules and the ASX Clear Rules.

Pershing is a Clearing Participant of ASX and a General Participant of ASX Clear.

2.2 Nature of Pershing's obligations [ASX Clear Minimum Term 4]

The Client acknowledges that:

- (a) notwithstanding that Pershing or the Broker may act in accordance with the instructions of, or for the benefit of, the Client, any Derivatives Contract arising from any order submitted to ASX is entered into by the Broker as principal; and
- (b) upon registration of a Derivatives Contract with ASX Clear in the name of Pershing, Pershing incurs obligations to ASX Clear as principal, even though the Derivatives Contract may have been entered into on the Client's instructions.

2.3 Obligations of Client owed to Pershing

On execution of a Derivatives Transaction in an ASX Derivative Product by the Broker on behalf of the Client, the Client owes obligations to Pershing in relation to that Derivative Transaction including the obligations set out in this agreement.

Where the Client owes an obligation to deliver funds, security or information to Pershing that obligation will not be satisfied by delivery to the Broker.

2.4 Misdirected Transactions

The Client acknowledges that, if at any time Derivatives Transactions executed by the Broker are also to be cleared through a Clearing Participant (other than Pershing):

- (a) the Broker may, incorrectly or otherwise, direct a Derivatives Transaction which it has executed on the Client's behalf to a Clearing Participant other than Pershing (**Misdirected Transaction**);
- (b) Pershing will not carry the settlement obligations in respect of any Misdirected Transaction; and

- (c) Pershing will not give the Client a confirmation in respect any Misdirected Transaction.

2.5 Rights of Client [ASX Clear Minimum Term 4]

The Client acknowledges that any benefit or right obtained by Pershing upon registration of a Derivatives Contract with ASX Clear by novation of a contract under the ASX Clear Rules or any other legal result of registration is personal to Pershing 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 Pershing (or the Broker or any other Market Participant or Clearing Participant) in any Derivatives Contract.

2.6 Appointment as agent [ASX Clear Minimum Term 10]

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 (as applicable) 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 ASX Clear Rule 15 including, the power to transfer or close out Derivatives Contracts if Pershing commits an event of default.

2.7 Application of ASX Operating Rules and ASX Clear Rules [ASX Clear Minimum Term 1]

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

3. MARGIN CALLS AND COVER

3.1 Pershing may call for funds or security [ASX Clear Minimum Term 6]

Pershing may call for payment of money or the provision of other security (**Pershing Cover**) which Pershing considers, in its absolute discretion, appropriate in connection with the obligations incurred by Pershing in respect of Derivative Contracts entered into for the account of the Client. The Client acknowledges that Pershing is entitled to call for Pershing Cover under this clause 3.1 of an amount or value which exceeds the amount of the Cover which Pershing is required to provide to ASX Clear in respect of the Derivative Contracts registered with ASX Clear in a Client Account in respect of the Client. The time by which the Client must pay any amount called or provide security is of the essence. The Client must pay the amounts, or provide the relevant security, within 24 hours of the call for payment.

3.2 Application of funds or financial products to satisfy calls

The Client authorises Pershing to withdraw or otherwise apply funds or financial products held on the Client's behalf to partially or fully satisfy such calls.

3.3 Authority to provide Cover

If the Client makes money or financial products available to Pershing as Pershing Cover (whether by delivery to Pershing or application by Pershing under this agreement), the Client:

- (a) warrants that the Client is legally entitled and authorised to do so, and that the Pershing Cover is free from all Encumbrances; and
- (b) authorises Pershing to pay the money and/or make the financial products available to ASX Clear as Cover.

3.4 Interest on Cover

No interest is payable on moneys or other security provided by the Client to Pershing under this clause.

3.5 Pershing may use moneys as Cover

Pershing may itself provide money or other financial products to ASX Clear as Cover for its Clearing Obligations and Pershing will retain any interest it receives on such moneys.

4. COMMISSIONS AND FEES [ASX Clear Minimum Term 8]

The Client must pay to Pershing commissions, fees, charges and taxes in connection with dealings for the Client in ASX Derivative Products at the rates determined by Pershing from time to time and notified to the Client in writing.

Commission is payable to Pershing on a contract executed by Pershing for the transfer of Underlying Financial Products following the exercise of a Derivatives Contract. Pershing will pass on part of that commission to the Broker.

Commission charged by the Broker to the Client is also collected by Pershing on behalf of the Broker. Pershing will account to the Broker for such commission after deducting fees which Pershing charges to the Broker.

5. MONEYS AND DEFAULT

5.1 Client funds and property [ASX Clear Minimum Term 15]

Pershing must deal with any money and property paid or given to Pershing in connection with the Pershing/Client relationship in accordance with the Corporations Act and the ASX Clear Rules.

5.2 Combination, deposit and use of funds [ASX Clear Minimum Term 15]

- (a) The Client acknowledges that the Client's monies and the monies of other clients of Pershing may under the ASX Clear Rules be combined and deposited by Pershing in a trust account or clients' segregated account. The Client acknowledges that all monies credited to the clients' segregated account maintained by Pershing may be used by Pershing to meet the default of any client of Pershing.
- (b) Despite clause 5.2(a), Pershing agrees that it will only pay the Client's monies into a trust account.

5.3 Set Off

Pershing is entitled to set off any monies received from the sale of financial products on the Client's behalf against any monies due to Pershing by the Client on any account.

5.4 Default [ASX Clear Minimum Term 7]

If:

- (a) the Client fails to pay, or provide security for, amounts payable to Pershing or fails to perform any obligation arising pursuant to the exercise or settlement of a Derivatives Contract;
 - (b) the Client becomes bankrupt or enters into a composition or arrangement for the benefit of creditors or, being a company, a liquidator is appointed to the Client or an administrator, receiver, receiver and manager or official manager is appointed over all or a part of the Client's property or an encumbrancer or its agent takes possession of all or part of the Client's property or the Client enters into any scheme of arrangement with creditors under Part 5.1 of the Corporations Act;
 - (c) the Client makes any representation that is incorrect or misleading in any material way with the result that loss or damage is, or is likely to be, suffered by Pershing;
 - (d) in the absence of the Client making alternative arrangements, the Client is at any time not contactable by the Broker immediately in order for Pershing to obtain instructions or call for payment of money or the provision of other security;
 - (e) the conduct of the Client is such that a reasonably prudent correspondent would be of the view that the Client would be unable to comply with all the Client's obligations under this agreement, including strict compliance with any time limits;
 - (f) the Client fails to complete a contract for the transfer of Underlying Financial Products following the exercise of an Derivatives Contract;
 - (g) a guarantee or other security provided by the Client to Pershing is withdrawn or becomes ineffective and other replacement security acceptable to Pershing is not provided;
 - (h) the Client "fails to settle" for the purpose of the terms of the Client's agreement with Pershing set out in the Disclosure Statement (if any) provided to the Client by the Broker in respect of the clearing and settlement of transactions in financial products quoted on ASX or other Market Transactions; or
 - (i) any other event occurs which Pershing and the Client have agreed in this agreement constitutes a default,
- (each a **default**), Pershing may, in addition to any other rights which it may have against the Client, 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 Contracts registered in the Client Account or otherwise entered into for the account of the Client (including, Derivatives Contracts arising from those contracts) and, Pershing may:
- (j) enter into one or more transactions (whether on-market or by private contract, together or in lots for cash or credit and for a price or prices upon such terms and conditions in all respects as Pershing sees fit) to effect the close out of one or more Derivatives Contracts in accordance with the ASX Clear Rules;
 - (k) exercise one or more Derivatives Contracts in accordance with the ASX Clear Rules;
 - (l) enter into or execute any Cash Market Transaction or Derivatives Transaction (including a Futures Market Transaction) as Pershing sees fit, whether or not the Client is permitted under clause 1;
 - (m) sell or cause to be sold:
 - (i) any or all of the Client's property, including any security lodged with Pershing (whether the property or security had been lodged with Pershing in connection with this agreement or for any other reason) or held by Pershing or its Related Bodies Corporate on behalf of the Client or in a Holding in respect of which Pershing, its nominee company or a Related Body Corporate of Pershing is the Controlling Participant; and

- (ii) any financial products held by Pershing in an account for the Client or otherwise held (including any financial products in a Holding in respect of which Pershing, its nominee company or a Related Body Corporate of Pershing is the Controlling Participant);
- (n) exercise any other power, right or remedy which Pershing may have under this agreement or in law or equity;
- (o) exercise or cause to be exercised any other rights conferred by the ASX Operating Rules, the ASX Clear Rules or this agreement or perform any other obligations arising under the ASX Operating Rules, the ASX Clear Rules or this agreement in respect of any Derivatives Contracts or Derivatives Transactions;
- (p) charge an administration fee calculated by reference to the additional cost which may be incurred by Pershing as a result of the default;
- (q) levy a default charge on the amount of up to 15% per annum;
- (r) apply any cash held by Pershing or the Broker on the Client's account or to which they have access (including any amount held), or payments received from the Client or in reduction of the Client's liability to Pershing; or
- (s) instruct the Broker to cancel any of the Client's unexecuted orders,

and the Client must account to Pershing as if those actions were taken on the instructions of the Client and, is liable for any deficiency and is entitled to any surplus which may result.

In relation to any of the rights exercisable for the benefit of Pershing in the event of a default, the Client authorises Pershing and each of its directors and employees as the Client's attorney to give instructions on behalf of the Client in respect of the Client's holdings of financial products in a Holding in respect of which Pershing, its nominee company or a Related Body Corporate of Pershing is the Controlling Participant, or held by Pershing, its nominee company or by their Related Bodies Corporate in nominee holdings, and in respect of call deposit facilities or cash management trust accounts on which they are authorised to give instructions, to enable Pershing to realise those financial products or funds and apply the proceeds in reduction of the Client's liability to Pershing and to recover Pershing's costs in so acting.

The Client must pay or reimburse Pershing any such administration fees and default charges (together with any GST payable on those amounts) immediately upon demand or at Pershing's option it may deduct such administration fees and default charges (and any GST) from any proceeds of sale, or proceeds from the close out or exercise of rights in relation to a Derivatives Contract, or other amounts otherwise payable to the Client.

Pershing will not be liable to the Client for any failure by Pershing to exercise (or any delay in the exercise by Pershing of) any power under this clause, or any loss incurred by the Client as a result of Pershing not exercising any of its powers under this clause 5 immediately, or at all, following an event of default by the Client. The Client acknowledges that Pershing, in exercising any of its rights under this clause 5.4, is entitled to act to protect its own interests and is under no obligation to subordinate the protection of its own interests to those of the Client.

5.5 Effect of liquidation of contract following default

Upon close out of any Derivatives Contract in accordance with clause 5.4, the Client is liable to pay to Pershing any amount owing to Pershing in respect of that contract. If the Client fails to make that payment within the time specified by Pershing (which time is of the essence), Pershing may deal with any of the Client's money or other property held by Pershing and apply the proceeds against that amount.

5.6 Assignment to the Broker of amounts owing

If the Client has not paid any amount due to Pershing under this agreement, in addition to its rights under clause 5.4, Pershing may assign that debt to the Broker and the assigned debt will become an obligation of the Client's to the Broker.

5.7 Method of Payment

Where money is payable to Pershing by the Client (for example where Pershing has called for payment of money under clause 3.1 or has notified the Client of commissions and fees in accordance with clause 4), the Client:

- (a) is not permitted to make payment in cash; and
- (b) will be entitled to make payment from a cheque or savings account by BPAY, where the relevant document provided by the Broker (such as a confirmation or notice as the case may be) bears a Biller Code. Payment by this means will only be acceptable to Pershing if the Client quotes the relevant Biller Code and its BPAY reference number.

5.8 Release

In consideration of Pershing entering into this agreement with the Client, the Client releases Pershing (and its related bodies corporate

and their respective directors, officers, employees and agents) (the **Released Parties**) in respect of all present or future claims the Client may have against the Released Parties or any of them arising out of or in connection with the exercise by Pershing of any of its rights under this clause 5.

6. ACKNOWLEDGMENTS AND WARRANTIES

6.1 Change of Participant [ASX Clear Minimum Term 16]

If the Client receives a Participant Change Notice from Pershing and the Participant Change Notice was received at least 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 below.

The Client may choose to terminate this agreement in accordance with clause 10.1 or by giving instruction to Pershing, indicating that the Client wishes to transfer its Derivatives Contracts to another Participant.

If the Client does not take any action to terminate this agreement and does not give any other instructions to Pershing which would indicate that the Client does not agree to the change of Participant then, on the Effective Date, this agreement 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 agreement in substitution for Pershing;
- (b) any rights of Pershing are transferred to the new Participant; and
- (c) Pershing is released by the Client from any obligations arising on or after the Effective Date,

and the Client will also be taken to have consented to and authorised:

- (d) the transfer to the new Participant of all the Client's open Derivatives Contracts as at the Effective Date so that they will be registered with ASX Clear in the new Participant's name;
- (e) the payment or transfer to the new Participant (or a Controlling Participant or nominee nominated by the new Participant) on the Effective Date of all money and other security (including all Pershing Cover) provided to Pershing under this agreement before the Effective Date to be held by the new Participant (or by the nominee or in a Holding in respect of which the new Participant (or another Controlling Participant nominated by the new Participant) is the Controlling Participant as the case may be) under clause 3 of this agreement as novated,

and, if the Client has executed before the Effective Date a Registered Holder Collateral Cover Authorisation under which the Client authorised a Controlling Participant to reserve (or withdraw) financial products registered in the Client's name in the ASX Clear Subposition as Collateral Cover for obligations in respect of Derivatives Contracts registered with ASX Clear in Pershing's name in a Client Account in respect of the Client, the Client is also taken to have appointed the new Participant and each director, secretary and officer of the new Participant for the time being as the Client's attorney to complete and execute a Registered Holder Collateral Cover Authorisation under which the Client authorises that Controlling Participant to reserve (or withdraw) financial products registered in the Client's name in the ASX Clear Subposition as Collateral Cover for obligations in respect of Derivatives Contracts registered with ASX Clear in the new Participant's name in a Client Account in respect of the Client.

The novation cannot take effect until the Client has received a 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.

The Client will be taken to have consented to the events referred to above by the doing of any act which is consistent with the novation of this agreement 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.

This agreement continues for the benefit of Pershing 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 not binding or effective on the Effective Date, then this agreement will continue for the benefit of Pershing until such time as the novation is effective, and the existing Participant will hold the benefit of this agreement on trust for the new Participant.

Nothing in this clause 6.1 will prevent the completion of Derivatives Transactions or Derivatives Contracts by Pershing where the obligation to complete those transactions or contracts arises before the Effective Date and this agreement will continue to apply to the completion of those contracts, notwithstanding the novation of this agreement to the new Participant under this clause 6.1.

6.2 Explanatory Booklet and other documents [ASX Clear Minimum Term 3]

The Client has received and read a copy of the current explanatory booklet published by ASX in respect of each ASX Derivative Product. This does not apply in relation to a Client that is a Wholesale Client.

The Client acknowledges that it has read and understood the documents (if any) given to it under ASX Clear Rule 7.1.1(b).

6.3 Risk and investment in ASX Derivative Products [ASX Clear Minimum Term 3]

The Client acknowledges that trading in ASX Derivative Products incurs a risk of loss as well as a potential for profit.

The Client acknowledges that it has given consideration to its objectives, financial situation and needs and has formed the opinion that dealing in ASX Derivative Products is suitable for its purposes.

6.4 Dealing as Principal and Pershing taking opposite position [ASX Clear Minimum Term 5]

The Client acknowledges that Pershing may, in certain circumstances permitted under the Corporations Act and the ASIC Market Integrity Rules, or the ASX Clear Rules, take the opposite position in a Derivatives Contract, either acting for another client or on its own account.

6.5 Confirmations

The Client acknowledges that any confirmation (contract note/daily statement) dispatched electronically to the Client by Pershing on its own behalf or on behalf of the Broker is subject to:

- (a) the terms and conditions of this agreement;
- (b) the ASIC Market Integrity Rules, ASX Operating Rules, directions, decisions and requirements of ASX and where relevant, the ASX Settlement Rules;
- (c) the customs and usages of the Market (as defined in the ASIC Market Integrity Rules); and
- (d) the correction of errors and omissions.

6.6 Cancellation of trades

The Client authorises Pershing, and agrees that Pershing may, without the Client's consent, cancel or amend (or request or agree to the cancellation or amendment of) any Derivatives Contract to which a confirmation relates:

- (a) if ASX exercises its power under the ASX Operating Rules to cancel or amend (or require the cancellation or amendment of) the Derivatives Transaction or Derivatives Contract; or
- (b) in the event of an Error (as defined in the ASX Operating Rules) or otherwise in the circumstances contemplated in the ASX Operating Rules.

The obligations of Pershing and the Client relating to the settlement of a transaction cease to apply in respect of a cancelled transaction from the time it is cancelled.

7. INFORMATION

7.1 Provision of Information [ASX Clear Minimum Term 2]

The Client will take all reasonable steps to deliver information or documentation to Pershing, or cause information or documentation to be delivered to Pershing concerning Derivatives Transactions which are requested by a person having a right to request such information or document. Pershing is authorised to produce the information or documentation to the person making the request.

7.2 Tape recording of conversations [ASX Clear Minimum Term 9]

The Client agrees that Pershing may record telephone conversations between the Client and Pershing. The Client also agrees that Pershing may use such recordings for the purposes of resolving disputes, and monitoring compliance by the Client, or the Broker with their regulatory and contractual obligations. If there is a dispute between the Client and Pershing, the Client has the right to listen to any recording of those conversations. Nothing in this agreement obliges Pershing to keep a recording longer than 90 days.

8. ALLOCATION (GIVE UP)

8.1 Pershing must consent to any give up

The Client acknowledges that Pershing is obliged as principal and has the Clearing Obligations in respect of all transactions in relation to ASX Derivative Products which are executed by the Broker on behalf of the Client, unless, in relation to a specified Derivatives Contract (**Allocated Trade**):

- (a) the Client has consented to the allocation of the Derivatives Contract to another Participant;
- (b) Pershing has consented to the allocation of the Derivatives Contract to that other Participant;
- (c) Pershing has provided that consent prior to the Derivatives Contract being registered with ASX Clear;
- (d) that other Participant has accepted the allocation of that Derivatives Contract in accordance with the ASX Clear Rules; and
- (e) that other Participant has entered into a Client Agreement with the Client which complies with the ASX Clear Rules.

8.2 Pershing ceases to have Clearing Obligations following give up

Clauses 3.1 and 5.4 do not apply in relation to an Allocated Trade, where the Client directs that trades be allocated to a Participant (who is not Pershing) for registration in the relevant Client Account of that other Participant and the other Participant accepts the allocation of those trades for registration, and the trade is allocated by Pershing to the other Participant in accordance with the ASX Clear Rules.

9. INDEMNITY

The Client agrees to indemnify and keep indemnified Pershing from all claims, losses, liabilities, damages and costs (including legal costs on a solicitor and client basis) whatever and however arising suffered or incurred by Pershing directly or indirectly arising out of or in connection with:

- (a) Pershing acting as Clearing Participant for the purposes of the ASX Operating Rules and as General Participant for the purposes of the ASX Clear Rules as contemplated by this agreement;
- (b) the performance by Pershing of its obligations under this agreement;
- (c) any failure by the Client to strictly comply with, or to perform any of its obligations under, this agreement;
- (d) any representation or warranty given by the Client under this agreement proving to be untrue or incorrect; or
- (e) any Allocated Trade.

10. TERMINATION OF AGREEMENT

10.1 Termination by notice [ASX Clear Minimum Term 11]

Either the Client or Pershing may terminate this agreement at any time by giving notice in writing to the other. Termination will be effective upon receipt of the notice by the other party.

10.2 Effect of termination [ASX Clear Minimum Term 12]

Termination does not affect the existing rights and obligations of the Client or Pershing at or prior to termination. Upon termination of this agreement, Pershing will close out all Derivatives Contracts held by Pershing for the account of the Client, unless, in accordance with a direction from the Client, the registration of those contracts are transferred to another Participant in accordance with the ASX Operating Rules or ASX Clear Rules.

11. AMENDMENT

11.1 Revised Terms prescribed by ASX Clear [ASX Clear Minimum Term 13]

If ASX Clear prescribes amended minimum terms for a Client Agreement for the purposes of the ASX Clear Rules (**New Terms**), to the extent of any inconsistency between this agreement and the New Terms, the New Terms will override this agreement and apply as if the Client and Pershing had entered into an agreement containing the New Terms.

11.2 Pershing to provide Client with copy of changes [ASX Clear Minimum Term 14]

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

12. SET OFF

Without limiting clause 5.3, Pershing may, without notice to the Client, combine any account that the Client holds at any branch or office (in Australia or elsewhere) of Pershing with, or set off any amount in any currency that is or may become owing in any currency by Pershing (or any Related Body Corporate or Pershing) to the Client against, any amount owing by the Client to Pershing (or any Related Body Corporate of Pershing). For this purpose Pershing may:

- (a) change the terms (including the repayment date) of any account or other payment obligation between the parties;
- (b) convert amounts into different currencies in accordance with Pershing's usual practice; and
- (c) do anything (including execute any document) in the name of the Client that Pershing considers necessary or desirable.

This clause 12 overrides any other document or agreement to the contrary.

13. NOTICES

Any confirmation, statement or other written notice (including legal process) served by Pershing on the Client, or served by the Client on Pershing pursuant to this agreement will be deemed to have been duly served and received:

- (a) if given by hand, at the time left at the relevant party's last known place of residence or business;
- (b) if given by mail, 2 Business Days after it is posted where the recipient party's last known address is in Australia, and ten Business Days after it is posted by airmail where the recipient party's last known address is outside Australia;
- (c) if given by telex, upon receipt of the recipient party's answer back;

- (d) if given by telegram, six hours after dispatch to the recipient party;
- (e) if given by facsimile transmission, at the time of transmission to the recipient party's last known facsimile number, or upon acknowledgment by the recipient party; or
- (f) if given electronically, upon receipt of a confirmation of delivery by the party giving the notice of the electronic mail message to the last known electronic mail address of the recipient party.

Unless otherwise specified in this agreement, notices served by Pershing on the Client need not be in writing. In particular, a call under clause 3.1 may be made by telephone to the Client by Pershing or by the Broker on Pershing's behalf.

Pershing may arrange for any notice to be given by Pershing to the Client under this agreement or the ASX Clear Rules to be given to the Client by the Broker acting as Pershing or Pershing Nominee's agent. Pershing may also provide the Broker with a copy of any such communication or notice given to the Client by (or on behalf of) Pershing.

The Client hereby indemnifies Pershing against any liability, damage, cost or expense incurred by Pershing arising out of Pershing acting (or declining to act) upon a facsimile request or instruction received by Pershing whether directly or through a request made of an officer or employee of any Related Body Corporate of Pershing from the Client or any person purporting to be the Client or the Client's Authorised Representative or agent. Pershing may reserve the right to refuse any instruction transmitted by facsimile.

14. AUTHORITY

The Client acknowledges that the Client is either:

- (a) acting as principal; or
- (b) acting as an intermediary on another's behalf and is specifically authorised to transact the ASX Derivative Products, by the terms of:
 - (i) an Australian financial services licence under the Corporations Act held by the Client;
 - (ii) a trust deed (if the Client is a trustee); or
 - (iii) an agency contract.

15. REPRESENTATIONS AND WARRANTIES AS TO CAPACITY

The Client represents and warrants to Pershing that:

- (a) where the Client is a body corporate, the Client is (and will remain) duly incorporated under the laws of the place of its incorporation and has full power and authority to enter into this agreement and deal in ASX Derivative Products, and any person executing this agreement has full power and authority to execute this agreement on behalf of the Client;
- (b) where the Client is a partnership, the Client has full power and authority to enter this agreement and to deal in ASX Derivative Products, and the person executing this agreement has full power and authority to execute this agreement on behalf of the Client;
- (c) where the Client is a natural person, the Client has legal capacity to execute this agreement; and

in any of the above cases, where the Client enters this agreement as trustee, the Client has full power and authority as such trustee to enter this agreement and to deal in ASX Derivative Products and has the right to be indemnified out of the assets of the relevant trust in respect of all and any of its obligations and liabilities under this agreement.

16. INSTRUCTIONS AND AUTHORISED REPRESENTATIVES

16.1 Powers of Authorised Representatives

The Client agrees that each of the persons stated in the application form (or otherwise notified by the Client to Pershing) to be an Authorised Representative of the Client has power for and on behalf of the Client and in the Client's name to:

- (a) give instructions to Pershing in relation to Pershing Cover of the Client or in relation to the Derivatives Transactions or Derivatives Contracts including to directing or consenting to dealing by Pershing in any Pershing Cover, Derivatives Transactions of Derivatives Contracts of the Client and any application of the proceeds of any such dealing;
- (b) request and accept drawings;
- (c) do all other acts and things (including completing, executing and delivering documents) as the Authorised Representative thinks necessary or desirable to give effect to the above powers or otherwise in connection with this agreement; and
- (d) appoint other persons (each a "Delegate") with power to exercise all or any of the powers of the Authorised Representative conferred by this clause 16.

16.2 Ratification of Decisions

The Client agrees to ratify and confirm anything done by the Authorised Representative or a Delegate in the exercise of the above powers.

16.3 Revocation of Power

The Client may revoke an Authorised Representative's powers by notice in writing to Pershing. A declaration by an Authorised Representative to the effect that his or her powers have not been revoked is conclusive evidence of that fact and binding on the Client.

16.4 Indemnity

The Client hereby indemnifies each of Pershing against any liability, damage, cost or expense incurred by Pershing arising out of it acting upon an oral request received by it whether directly or through a request made of an officer or employee of any Related Body Corporate of Pershing from the Client or any person purporting to be the Client or the Client's Authorised Representative or agent.

17. NO ADVICE

17.1 Pershing does not provide financial product advice

The Client acknowledges that Pershing does not provide financial product advice, and Pershing does not accept responsibility for any financial product advice given to the Client by the Broker, and the Client must not represent to any person that Pershing has given any financial product advice to the Client.

If the Client is to trade in ASX Derivative Products on the basis of advice given to the Client by the Broker, the Client must provide the Broker with:

- (a) all information (and documentation) regarding the Client's financial situation, investment objectives and particular needs sufficient and necessary for the Broker to give informed financial product advice;
 - (b) any relevant new information (and documentation) as soon as it becomes available; and
- details of or any change in the Client's financial situation, investment objectives and particular needs as soon as such change occurs.

17.2 Manner in which Pershing exercises its rights is not to be taken to be advice

Pershing has various rights under this agreement, including:

- (a) the right under clause 3 to require the Client to provide Pershing Cover; and
- (b) various rights under clause 5 if a default occurs in relation to the Client.

The manner in which Pershing may exercise or not exercise, or the timing of or any delay in any exercise by Pershing of, any right of Pershing under this agreement is not to be taken to be financial product advice by Pershing to the Client, and the Client must not represent to any person that it is financial product advice by Pershing.

18. GENERAL

18.1 Costs and Taxes

The Client will pay Pershing on demand all stamp duty or any other duty imposed by state or federal legislation and registration fees (if any) payable on or in connection with this agreement and any documents executed under or in connection with this agreement and all legal costs (on a solicitor and own client basis) and expenses of or in connection with the enforcement or attempted enforcement of this agreement and all costs and expenses including financial institutions duty and debits tax (whether payable directly by Pershing or payable by Pershing by way of reimbursement to the party liable to pay the same) in relation to all transactions (including payments, receipts and banking thereof) and all matters connected with or arising out of or contemplated by this agreement.

18.2 Entire agreement

This agreement contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this agreement and has no further effect.

18.3 Statements by Pershing

A statement by Pershing on any matter relating to this agreement (including any amount owing by the Client) is conclusive unless clearly wrong on its face.

18.4 Exercise of rights

No failure or delay on the part of Pershing in exercising any right, power or remedy under this agreement and no course of dealing between Pershing and the Client shall operate as a waiver of any breach or default by the Client nor shall any single or partial exercise of any such right, power or remedy preclude any further or other exercise of that or any other right, power or remedy.

18.5 Amendments

Except as provided in this agreement (including in clause 11):

- (a) this agreement may only be amended in writing;
- (b) Pershing may amend this agreement at any time by giving written notice to the Client; and

- (c) an amendment will take effect on and from the date specified by Pershing in the notice being a date not less than 10 Business Days after the date of the notice.

18.6 Assignment

The rights and obligations of the Client under this agreement are not capable of assignment. Pershing may assign or transfer its rights under this agreement or in relation to any Pershing Cover without the consent of the Client and free from any rights of set-off or counterclaim. Subject to the ASX Settlement Rules, Pershing may assign or transfer its rights under this agreement without the consent of the Client and free from any rights of set-off or counterclaim.

18.7 Giving effect to agreement

Each party must do anything (including sign or give effect to any document) that Pershing may reasonably require, to give full effect to this agreement or the transactions contemplated by this agreement (including the provisions of clause 5).

The Client appoints Pershing and each officer of Pershing for the time being (each an **Attorney**) jointly and each of them severally to be the attorney of the Client with power in the Client's name and on behalf of the Client to execute any document or sign any agreement on the Client's behalf necessary or to give full effect to this agreement or the transactions contemplated by this agreement.

18.8 Trust provisions

Where the Client enters into this agreement as trustee of a trust this agreement will bind that person both in its personal capacity and in its capacity as trustee of that trust and the Client represents and warrants to Pershing that:

- (a) it can be indemnified out of the assets of the trust for all liabilities incurred under this agreement;
- (b) it will remain the owner of the Pershing Cover unless it disposes of them in accordance with this agreement;
- (c) Pershing can be subrogated to its right of indemnity;
- (d) the transactions contemplated by this agreement are for the benefit and in the best interests of the beneficiaries of the trust; and
- (e) it has properly exercised its trust powers and has full authority under the trust to enter into the document containing this agreement.

18.9 Joint and several liability

If the Client constitutes more than one person then each of those persons is jointly and severally bound by this agreement and Pershing are entitled to act on the instructions of any one of those persons.

18.10 Supervening legislation

Any present or future legislation which operates to vary the obligations of the Client in connection with this agreement, Pershing Cover with the result that Pershing's rights, powers or remedies are adversely affected (including, by way of delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

18.11 No withholding

All payments to be made to Pershing must be made without deduction or withholding. If the Client is obliged by law to deduct or withhold any amount from any payment to be made under this agreement the Client will concurrently pay to Pershing such additional amount as will result in Pershing receiving the full amount which would have been received if the deduction or withholding had not been made.

18.12 Currency

All payments under this agreement are to be made in Australian dollars, except as Pershing otherwise agrees. If for any reason (including any judgment or order) any amount payable by the Client under this agreement is received or recovered by Pershing in another currency which, upon conversion of the other currency into Australian dollars, is less than the amount which would have been received by Pershing if paid in Australian dollars, then the Client must as an independent obligation indemnify Pershing on demand against the deficiency.

18.13 Recovery of GST

If GST has application to any Supply made under or in connection with this agreement, Pershing may in addition to any amount or consideration payable to it under this agreement, recover from the Client an additional amount on account of GST, such amount to be calculated by multiplying the amount or consideration payable by the Client to it at the prevailing GST rate.

Any additional amount on account of GST recoverable from the Client under this clause shall be calculated without any deduction or set-off of any other amount and is payable by the Client upon demand of Pershing, whether such demand is by invoice or otherwise. To the extent that any party to the Terms ("the Supplier"), is or becomes liable to pay GST in connection with any Supply made under this agreement;

- (a) the Supplier may add an amount in respect of that GST to the agreed price of the supply;
- (b) any party paying consideration for the Supply will pay the agreed price plus the amount in respect of GST; and
- (c) where required by the GST Law, the Supplier will issue a tax invoice which enables the person receiving the invoice, if permitted by the GST Law, to claim an input tax credit or refund of GST.

18.14 Governing law

This agreement are governed by the law in force in New South Wales and the Client, Pershing submit to the non-exclusive jurisdiction of the courts of New South Wales and courts which may hear appeals from those courts.

19. DEFINITIONS AND INTERPRETATION

19.1 Definitions

In this agreement unless the contrary intention appears:

ASIC means the Australian Securities and Investments Commission.

ASIC Market Integrity Rules means the *ASIC Market Integrity Rules (ASX Market) 2010*.

Allocated Trade has the meaning given to it in clause 8.1.

ASX means ASX Limited ABN 98 008 624 691 or, where the context requires, the market operated by it.

ASX Clear means ASX Clear Pty Limited ABN 48 001 314 503.

ASX Clear Rules means the operating rules of ASX Clear as amended from time to time.

ASX Derivative Product has the meaning given to it in clause 1.

ASX Operating Rules means the operating rules of ASX as amended from time to time.

ASX Settlement means ASX Settlement Pty Ltd ABN 49 008 504 532 and its agents appointed under the ASX Settlement Rules.

ASX Settlement Rules means the operating rules of ASX Settlement as amended from time to time.

Authorised Representative means each of the persons stated in the application form (or subsequently notified by the Client to Pershing in a form acceptable to Pershing) to be an Authorised Representative of the Client.

Banking Day means a day (other than a Saturday or Sunday) on which banks are open for business in Melbourne.

Business Day means a day that is both a Trading Day under the ASX Operating Rules and a Business Day under the ASX Clear Rules.

Cash Market Transaction has the meaning given to it in the ASX Operating Rules

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

Client means the client named in the Client Application Form.

Controlling Participant has the meaning ascribed to it by ASX Settlement Rules and includes a person who upon a change of Controlling Participant would be a Controlling Participant.

Corporations Act means the *Corporations Act 2001* (Cth).

Derivatives Contract means a Derivatives Market Contract or Derivatives CCP Contract (each as defined in the ASX Clear Rules) or the corresponding contract between the Broker and the Client or the Broker, as the context requires.

Derivatives Transaction has the meaning given to Derivatives Market Transaction in the ASX Operating Rules and where the context requires includes the sale or purchase of financial products following the exercise of a Derivatives Contract.

Encumbrance means any Security Interest, notice under sections 218 or 255 of the *Income Tax Assessment Act 1936* (Cth) or under any similar provision of a State, Territory or Commonwealth law, profit a prendre, equity, interest, garnishee order, writ of execution, right of set-off, assignment of income or monetary claim, and any agreement to create any of them or allow them to exist.

Futures Market Transaction has the meaning given to it in the ASX Operating Rules.

GST means a goods and services tax or any similar tax imposed in Australia.

GST Law has the meaning given to it in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Holding has the meaning given to it in the ASX Settlement Rules.

Order means an order or instruction in respect of a client or the Broker as principal (as the case may be) in relation to a Derivatives Transaction, and includes, without limitation, an order or instruction to:

- (a) open or close a position in relation to a Derivatives Contract;
- (b) submit an Exercise Notice to ASX Clear in relation to a Derivatives Contract; and
- (c) buy or sell an Underlying Financial Product.

Pershing Cover has the meaning given to it in clause 3.1.

Related Body Corporate has the meaning given to it in section 50 of the Corporations Act.

Security Interest means any bill of sale (as defined in any statute), mortgage, charge, lien, pledge, hypothecation, title retention arrangement, trust or power, as or in effect as security for the payment of a monetary obligation or the observance of any other obligation.

Supply has the meaning given to it in the GST Law.

Underlying Financial Product has the meaning given to it in the ASX Operating Rules.

Other words and phrases defined in the ASX Operating Rules, the ASX Clear Rules or the ASX Settlement Rules have the meaning given in the corresponding rules. The Client may inspect a copy of these rules at Pershing's offices on request.

19.2 Interpretation

In this agreement unless the contrary intention appears:

- (a) each gender includes the other genders;
- (b) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (c) a reference to this agreement or another agreement includes any variation or replacement of them;
- (d) the word person includes a firm, a body corporate, an unincorporated association or an authority;
- (e) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (f) a reference to any thing (including any amount and Pershing Cover) is a reference to the whole and each part of it and a reference to a group of persons (including the Client) is a reference to all of them collectively, to any two or more of them collectively and to each of them individually;
- (g) if an example is given of anything (including a right, obligation or concept), the example does not limit the scope of that thing. For example, a reference to "including" means "including without limitation"; and
- (h) the singular includes the plural and vice versa.

19.3 Headings

Headings are for convenience only and do not affect the interpretation of this agreement.

19.4 Banking Days

If any payment falls due on a non-Banking Day it will be made on the succeeding Banking Day.

19.5 Clients

Where the Client comprises more than one person, the obligations of those persons under this agreement shall be joint and several, a notice or demand given to one such person shall be deemed to have been given to all such persons, and, unless expressly agreed with Pershing to the contrary, each such person shall be deemed to be the agent of the others.

PART I: PERSHING PRIVACY POLICY AND CLIENT STATEMENT

This policy applies to information collected by Pershing Securities Australia Pty Ltd and its related bodies corporate (including Pershing Australia Nominees Pty Ltd) ("Pershing" or "we"). It outlines how we collect and use personal information that we hold about you in accordance with the Privacy Act.

What personal information is collected?

We only collect personal information that is reasonably necessary for us to provide services. If you do not provide the information that we ask for, we may not be able to provide the products or services you have requested. We may collect information such as your name, address, phone number, email address, tax file number, bank account details, other information that may be required for identification purposes, information about your investments and transactions and other information related to the services we provide.

How personal information is collected?

We will generally collect your personal information from your financial adviser or stockbroker in the course of you applying to open an account with your financial adviser or stockbroker and Pershing and transacting on that account. By using Pershing services you consent to Pershing collecting your information from your financial adviser or stockbroker or other person or entity who provides services to you. We may also collect information directly from you, such as when you provide the information by phone, email or in an application form or when you deal with us as a key contact or employee of a client or counterparty of Pershing.

Use and disclosure of your personal information

Pershing may use your personal information for the primary purpose of providing securities trading and settlement services to you, as well as for related purposes such as:

- to verify your identity or transactions which you may enter into with us;
- to administer and manage the provision of our products and services;
- to provide you with offers of other Pershing products or services;
- to comply with laws and regulatory requirements including complying with any request made by a governmental authority or regulator, including in connection with legal proceedings or the prevention or detection of fraud and crime;
- to comply with Pershing's risk management policies and procedures;
- conducting due diligence as part of a pre-employment screening or acceptance of your account with Pershing; or
- another purpose related to the primary purpose.

For the purposes we have described, we may disclose your personal information:

- to our suppliers (including service and content providers), contract and service providers, professional advisers, dealers and agents;
- to government agencies or individuals responsible for the investigation and resolution of disputes or complaints covering your use of our services and facilities including for example ASIC, AUSTRAC or the OAIC;
- other parties involved in the administration of your investments including stock exchanges, product issuers, investment registries or mailing houses;
- anyone to whom our assets or business (or any part of it) is transferred (or offered to be transferred, subject to confidentiality provisions);
- other entities in the wider Pershing group; or
- where you have otherwise consented or as otherwise required or authorised by law.

Access and correction and updating personal information

Generally, we will provide you with access to your personal information that we hold within a reasonable time of a request unless an exception applies under the Privacy Act. If you believe the personal information that Pershing holds is inaccurate, incomplete or out-of-date and we agree we will amend it. If we disagree with you about the accuracy, completeness or currency of our records, then you have the right to request that we note your disagreement in our records. You should keep us informed of any changes to your information by notifying us in writing (which may be through your financial adviser or stockbroker). We may also ask you to review, confirm and advise of us changes to your personal information.

Storage and security of information

Pershing stores personal information in a combination of computer storage facilities, paper-based files and other records. We will take reasonable steps to protect personal information from loss, misuse, unauthorised access, modification or disclosure.

Cross-border disclosure of personal information

We may transfer personal information to related bodies corporate and unaffiliated service providers in locations beyond Australia (including, but not limited to, the United States, India and the United Kingdom) in the course of storing that information and when using or disclosing it for one of the purposes referred to above. When transferring personal information to foreign jurisdictions, Pershing may take steps to ensure the overseas recipient of the information does not breach the Australian Privacy Principles in relation to the information. However, Pershing may be unable to ensure the overseas recipient does not breach the Australian Privacy Principles in relation to your information. This may mean for information sent overseas you do not have the protections of or any redress under the Privacy Act or in the foreign jurisdiction for any breach. The overseas recipient may not be subject to privacy obligations equivalent to those under the Privacy Act and could be compelled by foreign law to make disclosure of the information. By using Pershing services you consent to Pershing making the disclosure to overseas recipients on this basis.

Contacting us and complaints

If you wish to contact us for any purpose regarding this policy including making complaint about the way we have handled your personal information (including if you think we have breached the Privacy Act) you may do so to our Compliance Manager in writing, by mail or fax to the address or fax number set out at the end of this policy. When you contact us, include your email address, name, address and telephone number and clearly describe your complaint. Our Compliance Manager will investigate the complaint and respond to you promptly. If you consider that we have failed to resolve the complaint satisfactorily, and you are an individual located in Australia, you can complain to the Office of the Australian Information Commissioner.

Changes to this policy

This policy is subject to change from time to time as Pershing considers necessary. We will publish material changes by making them available to you through your financial advisor or stockbroker or elsewhere updating the policy in the places it is published including in our standard forms and documents.

PERSHING SECURITIES AUSTRALIA PTY LTD

Compliance Manager
Level 2, 1 Bligh Street
Sydney NSW 2000

Ph: 02 8999 4000
Fax: 02 8999 4099

PART J: PERSHING'S FINANCIAL SERVICES GUIDE (FSG)

Issued by Pershing Securities Australia Pty Ltd

ABN 60 136 184 962

Australian Financial Services Licence No. 338 264

Date FSG was prepared: 15 March 2016

1. Terms used in this FSG

AFSL	Australian Financial Services Licence
ASX	ASX Limited ABN 98 008 624 691 or the market operated by it, as the context requires
Broker	A Participant of one or more Relevant Exchanges which has engaged Pershing to clear transactions executed by the Broker on a Relevant Exchange.
Chi-X	Chi-X Australia Pty Limited ABN 47 129 584 667 or the market operated by it, as the context requires
Client	Clients are considered 'wholesale' or 'retail' as defined under the Corporations Act.
Correspondent	Your Broker or Financial Intermediary, as the case may be.
ETOs	Exchange Traded Options
Financial Intermediary	An AFSL holder who has engaged Pershing to execute and clear transactions on a Relevant Exchange.
FOS	Financial Ombudsman Service
FSG	Financial Services Guide
IDPS	Investor Directed Portfolio Services
International Securities Trader	A Pershing group entity or a third party authorised to provide securities dealing and/or custody services on an international market.
MDA	Managed discretionary accounts, being a service which a Correspondent may provide to you under which you authorise the Correspondent to manage an investment portfolio on your behalf and to make investments decisions in relation to the portfolio in accordance with an investment program agreed with you.
PDS	Product Disclosure Statement
Pershing, we, us, our	Pershing Securities Australia Pty Ltd ABN 60 136 184 962; AFSL No. 338 264
Pershing Nominees	Pershing Australia Nominees Pty Ltd ACN 137 911 730, a wholly owned subsidiary of Pershing, or another nominee company appointed by Pershing
Relevant Exchange	ASX or Chi-X or any other securities exchange on which Pershing transacts, or the financial markets operated by them (as the context requires).

2. Purpose of this FSG

This FSG provides information about:

- Who we are;
- What relationships and associations we have;
- The services we provide;
- How you may provide us with instructions;
- The remuneration that may be paid to us or to other relevant persons for the services we provide;
- The documents you may receive from us;
- How we handle complaints;
- Your privacy and how we use your personal information

This FSG has been prepared by Pershing and was prepared on 15 March 2016 to assist you in deciding whether to use the services we provide. You should read it carefully and make sure you understand it.

Together with this FSG, you will have received an FSG from the Correspondent. You should read both documents before deciding whether to use the services that we provide.

3. Who is Pershing?

Pershing is licensed under the Corporations Act (Australian Financial Services Licence (AFSL) No 338 264) to provide financial services and is a Trading Participant of ASX, a Participant of Chi-X, a General Participant of ASX Clear Pty Ltd ABN 48 001 314 503 (ASX

Clear) and a Settlement Participant of ASX Settlement Pty Ltd ABN 49 008 504 532 (**ASX Settlement**). Pershing may become a participant of other Relevant Exchanges from time to time. Pershing is a wholly owned subsidiary of Pershing Group LLC, a Bank of New York Mellon Company, headquartered in New Jersey, USA. The Pershing Group provide execution, clearing, settlement, custody and technology infrastructure products and services to financial services firms and others servicing the global financial services industry.

Pershing has authorised the distribution of this FSG.

4. The services offered by Pershing

Pershing is authorised under its AFSL to:

- a) deal in (including arranging to deal in) the following financial products:
 - Securities (such as shares, options and warrants that can be traded on a Relevant Exchange);
 - Interests in managed investment schemes (other than IDPS), such as units in ASX listed trusts;
 - Derivatives, such as ASX Exchange Traded Options (**ETOs**);
 - Foreign exchange contracts; and
- b) provide a custodial or depository scheme service (other than IDPS),

to wholesale and retail clients.

Pershing provides/arranges to provide execution, clearing, settlement and nominee services. You have received a copy of this FSG because the Correspondent has arranged for Pershing to provide one or more of the following services:

a) Clearing services for transactions in securities and interests in managed investment schemes executed on a Relevant Exchange

Pershing may be engaged by a Broker to clear the transactions in securities and interests in managed investment schemes executed on or facilitated through a Relevant Exchange by the Broker. If you are a client of one of those Brokers and you effect a transaction in securities or interests in managed investment schemes on a Relevant Exchange through the Broker, Pershing (as clearer) will carry the settlement obligations in respect of that transaction. Pershing may also settle transactions not executed on a Relevant Exchange (e.g. primary market transactions or off market transactions). For this purpose, you will become a client of Pershing and you will owe your settlement obligations in respect of that transaction directly to Pershing and not to the Broker. If you are a client of one of those Brokers, you will be provided with a Disclosure Statement which contains more information concerning the clearing services Pershing provides and the terms of your agreement with Pershing in respect of the those services.

b) Execution and clearing services for transactions in securities and interests in managed investment schemes executed through a Relevant Exchange

Pershing may also be engaged by a Financial Intermediary to provide to clients of the Financial Intermediary, execution and clearing services in securities and interests in managed investment schemes. This means that Pershing will execute or facilitate the transaction on a Relevant Exchange for you and clear and settle those transactions. Pershing may also settle for you transactions not executed on a Relevant Exchange (e.g. primary market transactions or off market transactions). As a client of one of those Financial Intermediaries, you may effect a transaction in securities or interests in managed investment schemes on a Relevant Exchange by providing instructions to the Financial Intermediary. The Financial Intermediary will then, as your agent, communicate your instructions to Pershing who may then execute the transaction on a Relevant Exchange for you or facilitate settlement of the transaction. For this purpose, you will become Pershing's client. In addition, Pershing will also clear all transactions in securities or interests in managed investment schemes that Pershing has executed on your behalf under this arrangement. Accordingly, Pershing will carry the settlement obligations in respect of those transactions. For this purpose, you will become a client of Pershing and you will owe your settlement obligations in respect of those transactions directly to Pershing and not to the Financial Intermediary.

If you are a client on one of those Financial Intermediaries, you will be provided with a document that summarises Pershing's Best Execution Policy and explains how we handle and execute your orders, as required under the *ASIC Market Integrity Rules (Competition in Exchange Markets) 2011*.

c) Clearing services for transactions in Exchange Traded Options executed on ASX

Pershing may also be engaged by a Broker to clear the transactions in ETOs executed on ASX by the Broker.

If you are a client of one of those Brokers and you effect a transaction in an ETO on ASX through the Broker, Pershing (as clearer) will carry the settlement obligations in respect of that transaction. For this purpose, you will become a client of Pershing and you will owe your settlement obligations in respect of that transaction directly to Pershing, not to the Broker. If you are a client of one of those Brokers, and wish to trade in ETOs on ASX through it, you will need to enter into a Derivatives Client Agreement with Pershing.

You may also need to enter into a Derivatives Client Agreement with the Broker, and the Broker may be required to give you a Product Disclosure Statement (**PDS**) in relation to the ETOs that you may trade. The PDS will contain information concerning ETOs to assist you in deciding whether those products are appropriate for your needs.

d) Execution and clearing services for transactions in Exchange Traded Options executed on ASX

Pershing may also be engaged by a Financial Intermediary to provide to clients of the Financial Intermediary execution and clearing services in ETOs. This means that Pershing will execute transaction in ETOs on ASX for you and clear and settle those transactions.

If you are a client of one of those Financial Intermediaries and you wish to deal in ETOs on ASX, you may do so by communicating an order to deal in ETOs to the Financial Intermediary. The Financial Intermediary (as your agent) will communicate that order to Pershing who will execute the transaction on ASX on your behalf. For this purpose, you will become a client of Pershing.

In addition, Pershing will also clear all transactions in ETOs that are executed by Pershing on your behalf. Accordingly, Pershing will carry the settlement obligations in respect of those transactions. For this purpose, you will become a client of Pershing and you will owe your settlement obligations in respect of those transactions directly to Pershing and not to the Financial Intermediary.

If you are a client of a Financial Intermediary and wish to trade in ETOs on ASX, you will need to enter into a Derivatives Client Agreement with Pershing.

We may also be required to give you a PDS in relation to the ETOs that you may trade. The PDS will contain information concerning ETOs to assist you in deciding whether those products are appropriate for your needs. The Correspondent may also be required to give you a PDS in relation to the ETOs that you may trade.

e) Clearing services for transactions in Exchange Traded Options "given up" to Pershing on ASX

Pershing may clear a transaction in ETOs executed on ASX by another Participant of ASX Group if the transaction is "given up" to Pershing. If Pershing accepts the "give up" of such a transaction executed for you, Pershing will carry the settlement obligations in respect of that transaction. For this purpose, you will become a client of Pershing and you will owe your settlement obligations in respect of that transaction directly to us and not to the other Participant.

Before Pershing can accept the "give up" to it of a transaction in ETO executed for you, you will need to enter into a Derivatives Client Agreement with Pershing. Again, you may be provided with a PDS relating to ETOs.

f) Execution, clearing and settlement services for transactions in securities on international markets

Pershing may also be engaged by a Correspondent to arrange execution, clearing and settlement services in securities on international markets for clients of the Correspondent. This means that Pershing will arrange for the execution, clearing and settlement of the transaction with an entity which holds the appropriate authorisation to do so in that market (**International Securities Trader**). The International Securities Trader may be a Pershing group entity or a third party entity.

As a client of one of those Correspondents, you may effect an international securities transaction on an international market by providing instructions to the Correspondent. The Correspondent, acting as your agent, will then communicate your instructions to Pershing who, in acting for you, will communicate them to the International Securities Trader for fulfilment through Pershing's Account with that International Securities Trader. Securities traded on your behalf using Pershing's Account will be traded beneficially for you by Pershing. For this purpose, you will become Pershing's client, but not the client of the International Securities Trader.

Pershing will also arrange for the International Securities Trader to clear and settle all transactions in securities that it has executed on your behalf under this arrangement. Accordingly, Pershing will carry the settlement obligations in respect of those transactions. For this purpose, you will become a client of Pershing and you will owe your settlement obligations in respect of those transactions directly to Pershing and not to the Correspondent or the International Securities Trader.

g) Settlement and nominee services - general

Pershing may also be engaged by a Correspondent to provide to clients of the Correspondent settlement services in securities and interests in managed investment schemes. This means that Pershing will settle transactions arranged for you by the Correspondent and executed on a Relevant Exchange for you by a Trading Participant of a Relevant Exchange (other than Pershing and the Correspondent).

However, Pershing will only settle such transactions if, in the case of a purchase, the necessary funds are made available to Pershing and, in the case of a sale, the financial products sold are made available to Pershing, in each case in sufficient time before the time the transaction is to be settled.

As part of this service, Pershing will also arrange for your securities and interests in managed investment schemes to be held as nominee by Pershing Nominees as nominee for you. For the purpose of settlement and nominee services, you will become Pershing's client.

h) Settlement and nominee services – MDA accounts

Pershing may be engaged to provide settlement and nominee services as described in paragraph 4 f) above to clients of the Correspondent in connection with the provision to the Client by the Correspondent of managed discretionary account (MDA) services. In that event, Pershing will be responsible only for the following services:

- the settlement of transactions which the Correspondent has arranged to be executed on a Relevant Exchange on your behalf (provided that Pershing will only settle such transactions if, in the case of a purchase, the necessary funds are made available to Pershing and, in the case of a sale, the financial products sold are made available to Pershing, in each case in sufficient time before the time the transaction is to be settled);
- the holding by Pershing Nominees as nominee for you of securities and interests in managed investment schemes which are acquired or otherwise form part of your investment portfolio (**Investments**) which the Correspondent manages for you as part of the MDA services;
- as Pershing Nominees will be the registered holder of your Investments:
 - it will receive any dividends or other distributions in respect of those Investments and will deal with them in accordance with instructions from the Correspondent;
 - it will be entitled to cast any votes in respect of your investments and will do so in accordance with instructions from the Correspondent
- Pershing if required to do so under relevant regulatory requirements will provide you with an activity statement in respect of any transactions which it settles on your behalf unless you are deemed to be a wholesale client;
- any other services to be provided by Pershing to you under the Nominee and Settlement Services Agreement entered into with you.

The Correspondent will be responsible for the following:

- management of your Investments based on an investment program agreed between you and the Correspondent, including the making of all investment decisions on your behalf in connection with your Investments;
- arranging for transactions to be executed on a Relevant Exchange for you by a Trading Participant of a Relevant Exchange (other than Pershing and the Correspondent);
- giving instructions to Pershing in connection with the settlement of transactions executed on a Relevant Exchange for you and the distributions and rights in respect of the Investments held by Pershing Nominees on your behalf; and
- any other services required in connection with the provision of MDA services to you which are not to be provided by Pershing.

i) CHESS Sponsorship services

Pershing may act as a CHESS Sponsoring Participant of the clients of its Correspondents. Clients that are to be CHESS sponsored by Pershing must enter into a Sponsorship Agreement with Pershing.

j) Nominee and custody services

Pershing may arrange for its wholly owned subsidiary, Pershing Nominees and/or another entity to provide nominee and other custody services for clients of the Correspondents for whom it provides clearing services and other clients. If you want Pershing to arrange for Pershing Nominees to provide nominee or custody services to you, you will need to enter into an agreement for this purpose. Where Pershing provides nominee services the financial

products held by Pershing on your behalf may be held in the same account in which Pershing Nominees holds securities for other persons.

k) Other services

Pershing acts as agent for the clients of Correspondents in providing settlement services for the client in respect of transactions executed by the client or on behalf of the client by another person.

Pershing does not provide financial product advice and is not authorised under its AFSL to provide financial product advice.

5. Capacity in which Pershing acts

The capacity in which Pershing acts depends on the service to be provided as follows:

a) Clearing services for transactions in securities and interests in managed investment schemes executed on a Relevant Exchange

Pershing acts as principal in relation to the clearing and settlement of transactions in securities and interests in managed investment schemes executed on a Relevant Exchange on your behalf. However, there may be certain activities which Pershing will perform as agent for another person (such as the despatch by Pershing of confirmations to clients as agent for the Broker that executed the transaction).

In clearing the transaction, Pershing acts as agent for the client for whom the transaction was executed. However, Pershing will owe the settlement obligations in respect of that transaction to ASX Clear as principal.

b) Execution and clearing services for transactions in securities and interests in managed investment schemes executed on a Relevant Exchange

Pershing acts as principal in relation to the execution of your orders which are communicated to it by the Financial Intermediary for execution on a Relevant Exchange on your behalf.

We act as principal (and not as agent for the Financial Intermediary) in relation to the clearing and settlement of such transactions. However, there may be certain activities which we will perform as agent for another person (such as the despatch by us of confirmations to clients as agent for the Financial Intermediary that arranged for the execution of the transaction). In clearing the transaction, Pershing acts as agent for the client for whom the transaction was executed. However, we will owe the settlement obligations in respect of that transaction to ASX Clear as principal.

c) Execution and clearing services for transactions in securities on international markets

When Pershing enters into a contract with you to arrange for the execution, clearing and settlement of international securities transactions on a foreign market by an International Securities Trader for you, it does so as principal on its own behalf, and not as someone's agent.

When Pershing arranges for the provision of international securities trading services to you in accordance with this contract, Pershing acts as agent for you.

In order to provide these services to you, Pershing (as principal), has entered into agreements with an International Securities Trader, and will owe obligations in relation to any transactions directly to the International Securities Trader. (It is then your contract with Pershing which enables Pershing to ultimately call upon you to satisfy these obligations).

d) Clearing services for transactions in Exchange Traded Options executed on ASX

Pershing acts as principal in relation to the clearing and settlement of transactions in ETOs executed on ASX on your behalf. Pershing also acts as principal in respect of the clearing and settlement of transactions in ETOs executed on ASX on your behalf for which Pershing accepts the "give up".

However, there may be certain activities which Pershing will perform as agent for another person (such as the despatch by Pershing of confirmations to clients as agent for the Broker that executed the transaction).

The rights of Pershing against the ASX Group in respect of any transaction in ETOs executed on ASX for which

Pershing has the settlement obligations will be personal to Pershing, and the benefit of those rights will not pass to the client for whom the transaction was executed. Accordingly, in clearing the transaction and being the registered holder of the ETO, Pershing acts as principal and not as an agent or trustee for the client. However, Pershing will owe corresponding obligations to the client as a principal.

e) Execution and clearing services for transactions in Exchange Traded Options executed on ASX

Pershing acts as principal in relation to the execution of your orders which are communicated to it by the Financial Intermediary for execution on ASX on your behalf. We act as principal (and not as agent for the Financial Intermediary) in relation to the clearing and settlement of such transactions. Pershing also acts as principal in respect of transactions in ETOs executed on ASX on your behalf for which Pershing accepts the "give up". However, there may be certain activities which Pershing will perform as agent for another person (such as the despatch by Pershing of confirmations to clients as agent for the Financial Intermediary who arranged for that transaction to be executed). The rights of Pershing against the ASX Group in respect of any transaction in ETOs executed on ASX for which Pershing has the settlement obligations will be personal to Pershing, and the benefit of those rights will not pass to the client for whom the transaction was executed. Accordingly, in clearing the transaction and being the registered holder of the ETO, Pershing acts as principal and not as an agent or trustee for the client. However, we will owe corresponding obligations to the client as a principal.

f) Settlement and nominee services

Pershing acts as your agent in relation to the settlement of transactions in securities and interests in managed investment schemes which the Correspondent has arranged for another Trading Participant to execute on a Relevant Exchange on your behalf. Pershing acts as agent for Pershing Nominees when arranging for it to provide nominee services to clients. Pershing Nominees acts as nominee or trustee for the client in providing the service.

g) Sponsorship services

Pershing acts as principal in providing sponsorship services to clients.

h) Nominee and custody services

Pershing acts as your agent when arranging for Pershing Nominees and/or another entity to provide nominee and other custody services to you. Pershing Nominees as agent of Pershing, or the other entity, will act as nominee or trustee for you in providing the service.

i) Other services

Pershing acts as agent for the client in providing settlement services for the client in respect of transactions executed by the client or on behalf of the client by another person.

6. How you may provide instructions

To provide instructions to Pershing, you must contact the Correspondent (and not Pershing directly).

7. How we are remunerated

a) Remuneration for execution, clearing and settlement services

Pershing will charge the Correspondent fees for executing and/or clearing transactions, and for providing settlement and nominee services to clients. The fees that Pershing may charge the Correspondent may be a fixed monthly fee, a fee per trade, a fee per service and/or other fees.

You may be charged fail fees by Pershing where you fail to perform your settlement obligations in respect of a transaction that has been executed on your behalf. Fail fees may include a fee imposed by a Relevant Exchange, an administrative fee and a default charge on the amount outstanding from time to time. You may also be charged brokerage or commission or other fees by Pershing on a contract for the transfer of underlying securities following the exercise of an ETO at a rate determined by Pershing and advised to you from time to time. All or part of this fee or commission may be passed on to the Correspondent. The Correspondent will also charge you brokerage or commission and/or other fees agreed with you in respect of the services that it provides to you. Information concerning such brokerage, commission and fees may be obtained from the Correspondent.

b) Remuneration for CHES sponsorship services

Pershing may charge you a fee for providing you with CHES sponsorship services. You will be advised in writing of the fee (if

any) to be charged by Pershing before you agree to receive sponsorship services from Pershing.

Pershing may also charge the Correspondent fees relating to the provision of sponsorship services to you.

c) Remuneration for nominee and custody services

Pershing may charge you a fee for providing nominee or custody services. The fees that we charge the Correspondent may include fees relating to the provision of nominee and/or sponsorship services to you.

8. Commission, Remuneration and other Benefits received by Pershing

Pershing is remunerated by the fees it charges the Correspondent for the services it provides to them. Pershing is also remunerated by the fees that it may charge clients, as described above.

Pershing may also earn and retain interest on moneys held for clients in our trust accounts.

Pershing may also receive commissions, trailing commission or other benefits from other entities. As a guide, Pershing may receive the following:

Entity	Commission / Benefits
Margin Lenders	Ongoing commission can range from 0.25% per annum to 0.75% per annum of the margin lending facility
Cash Management Trusts Providers	Ongoing commissions can range from 0.15% pa to 0.65% per annum on balance invested
Foreign Exchange	A percentage of the fee charged by the International Securities Trader in entering foreign exchange contracts to facilitate settlement of an international securities transaction.

9. How our representatives are remunerated

Our representatives are remunerated by way of salary and they do not directly receive any remuneration calculated by reference to the amount of fees or commissions received by Pershing.

They may also be entitled to a bonus or other employment benefits based upon performance and achievement of various objectives by both the representative and Pershing.

10. Referral fees

Pershing will not pay a third party a fee for referring you to us. Similarly, Pershing will not be paid a fee for referring you to the Correspondent.

11. Relationships or associations with financial product providers

Pershing may enter into arrangements with financial product providers. Therefore, we may receive commissions, trail fees or other benefits as a result of your investing or dealing in any such product. See paragraph 7 in this FSG for further details.

12. Documents you will receive

a) Clearing services for transactions executed by the Correspondent

You will receive a Disclosure Statement which will contain more information relating to the clearing service provided by Pershing and the terms and conditions of those services where Pershing is to clear transactions executed for you by a Correspondent through a Relevant Exchange.

b) Execution and clearing services

You will receive our Equities Client Terms which will contain more information relating to the execution and clearing services provided by Pershing and the terms and conditions of those services where Pershing is to execute and clear transactions on a Relevant Exchange for you. You will also be provided with a summary of our Best Execution Policy, which explains how we handle and execute your orders, as required under the *ASIC Market Integrity Rules (Competition in Exchange Markets) 2011*. Where Pershing is to arrange for the execution and clearing of securities on a foreign market by an International Securities Trader, you will receive our International Securities Trading Terms which will contain information and the terms and conditions on which Pershing will arrange for those services to be provided to you.

c) Transactions in ETOs

If you wish to transact in ETOs, you will need to enter a Derivatives Client Agreement with Pershing. Depending on whether Pershing or the Correspondent is to execute your trades in ETOs on ASX, you will be provided with an ETO Product Disclosure Statement by Pershing or the Correspondent. The ETO Product Disclosure Statement will contain important information regarding trading ETOs, including the fees charged by ASX Clear. If the Correspondent (and not Pershing) is to execute your trades in ETOs on ASX, you will also be required to execute a Derivatives Client Agreement with the Correspondent.

d) Settlement and nominees services - general

If Pershing is to settle transactions in securities and interests in management investment schemes which the Correspondent arranges for another Trading Participant to execute on a Relevant Exchange for you, you will need to enter into a Nominee and Settlement Services Agreement with Pershing which will contain more information relating to the settlement and nominee services provided by Pershing and the terms and conditions of those services.

e) Settlement and nominees services – MDA accounts

If Pershing is engaged to provide settlement and nominee services to you in connection with the provision to you of MDA services by the Correspondent, you will need to enter into a Nominee and Settlement Services Agreement with Pershing which will contain more information relating to the settlement and nominee services provided by Pershing and the terms and conditions of those services.

f) CHESS Sponsorship Services

If Pershing is to act as your CHESS Sponsoring Participant, you will need to enter into a Sponsorship Agreement with Pershing.

g) Nominee and custody services

If Pershing is to arrange for Pershing Nominees or another entity to provide nominee or other custody services to you, you will need to enter into an agreement with Pershing for this purpose.

h) Advice

You will not receive a Statement of Advice from Pershing as we do not provide any financial product advice.

If you receive personal financial product advice from the Correspondent, the Correspondent may be required to give you a Statement of Advice.

13. Dispute Resolution and Complaints

Pershing is dedicated to providing quality service and as part of our service commitment to clients, it is important to provide an efficient and accessible system for resolving disputes.

Should you be of the opinion that the service provided by Pershing is not at an acceptable level, you have the right to complain and this complaint will be dealt with as promptly as possible. Pershing will aim to resolve any complaint quickly and fairly.

If you have a complaint, put your complaint in writing and address it to:

Pershing Securities Australia Pty Ltd
Compliance Manager
Level 2, 1 Bligh Street
Sydney NSW 2000
Ph: 02 8999 4000
Fax: 02 8999 4099

You should try to include as much detail about the circumstances of the complaint as possible including the names of any Pershing employees involved and include any supporting documentation.

Following receipt of your complaint, Pershing's Head of Compliance will acknowledge receipt of your complaint in writing and provide you with an estimate of the time it will take to investigate the issues you have raised. A full investigation will be undertaken which will include reviewing all the supporting documentation, speaking to you and interviewing relevant Pershing employees. You will be provided with a detailed written response once the investigation of the complaint has been finalised.

If we do not resolve the complaint to your satisfaction, you have the option of pursuing your complaint with the Financial Ombudsman Service (FOS). FOS' contact details are:

Financial Ombudsman Service
GPO Box 3
Melbourne, Vic 3001
Telephone: 1300 78 08 08
Fax: (03)9613 6399
Web: www.fos.org.au

Alternatively you may also be able to pursue the matter with a Relevant Exchange. ASX has offices in all capital cities and their details are available on www.asx.com.au. Chi-X' contact details are available on www.chi-x.com/australia/

Alternatively, the Australian Securities & Investments Commission (ASIC) also has a free call information line (1300 300 630) that you may use to make a complaint and obtain information about your rights.

If your complaint relates to a service provided to you by the Correspondent (rather than Pershing), you should seek to have your complaint dealt with in the manner advised by the Correspondent in its FSG or otherwise.

14. Compensation Arrangements

Pershing has arranged for Professional Indemnity insurance cover which it considers to be adequate, having regard to the following:

- Pershing's maximum liability under the Financial Ombudsman Service of which Pershing is a member;

- volume and nature of Pershing's business;
- number and kind of its clients; and
- the number of representatives and Authorised Representatives it has.

If you require further information about our compensation arrangements please contact Pershing's Head of Compliance.

15. Privacy

Pershing and/or its agents may use personal information collected from you for the following purposes:

- to provide you with services, products and/or information that you have requested or may reasonably expect to receive;
- to conduct research, product development, marketing, risk assessment and modelling; or
- to comply with our rights and obligations and under relevant laws and regulations.

Pershing and/or its agents may also disclose the information collected from you to third parties such as mailing houses or others who provide services to us (but will not do so for marketing purposes). Pershing will not disclose your information to any other person except where that disclosure is authorised or permitted by the Australian Privacy Principles or by law.

Pershing takes all reasonable steps to ensure that information we have collected from you is secure. All stored personal information is protected from unauthorised access by user login requirements, passwords or other security procedures.

You are able to access and update the personal information Pershing. Please contact your Correspondent to do so.

If you have any questions about privacy, please contact Pershing's Privacy Officer by writing to the address in section 16 below.

16. Contact Details

Our contact details are as follows:

Pershing Securities Australia Pty Ltd
Level 2, 1 Bligh Street
Sydney NSW 2000
Ph: 02 8999 4000
Fax: 02 8999 4099

PART K

D2MX

Terms and Conditions

AFS Licence No. 297950

Date of issue: 1 April 2016

ABN 98 113 959 596

**Level 36, AMP Centre,
50 Bridge Street,
SYDNEY NSW 2000**

A Participant of ASX Group

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Terms of your agreement with D2MX Pty Ltd ABN 98 113 959 596 AFSL 297950

This document contains important information regarding the terms and conditions which apply to your brokerage account with D2MX. These terms and conditions apply to all execution and general advice dealings between you and us. By placing an Order with D2MX you accept the terms and conditions contained in this document.

PLEASE READ THIS DOCUMENT CAREFULLY AND RETAIN IT FOR YOUR FUTURE REFERENCE.

1. Your agreement with D2MX

D2MX is admitted as a Trading Participant of ASX with Trading Permission in respect of Traded Products. It may in future also become a participant of other Relevant Exchanges.

D2MX has entered into an arrangement with you under which you may place orders with D2MX to buy or sell or otherwise deal in Traded Products.

If you wish to buy or sell or otherwise deal in Traded Products on ASX, you will communicate your Order to D2MX. If and only if D2MX grants you access to the online broking/direct market access system (**DMA Service**), you may also place Orders directly with D2MX through the DMA Service.

Whenever you affect a Market Transaction in this way, Pershing carries the obligations to complete the relevant transaction. Information concerning Pershing and the terms and conditions of your agreement with Pershing are contained in the separate Disclosure Statement given to you by D2MX.

2. Your relationship with D2MX

Unless otherwise agreed in writing, your primary relationship will be with D2MX and will be limited to general advice and the execution of Orders. You acknowledge that D2MX will not provide personal financial product advice, or legal, tax, financial or accounting advice or make any financial product recommendations to you or give a Statement of Advice to you as part of the service to be provided to you by D2MX unless otherwise agreed in writing and subject to separate agreed terms and conditions.

3. Trading in ASX derivatives products, warrants and partly paid securities

3.1 Derivative Products

If you wish to trade in Derivatives Products, the terms in Schedule 2 will apply to you. However, before you may place an Order to trade in Derivatives Products, you will need to sign and return the Client Application to D2MX or otherwise confirm in writing to D2MX that you agree to be bound by the terms of this agreement (including schedule 2).

3.2 Warrants

If you wish to trade in ASX Warrants, the terms in Schedule 3 will apply to you. However, before you may place an Order to trade in Warrants (other than an Order to sell a Warrant already held by you), you will need to sign and return the Client Application to D2MX or otherwise confirm in writing to D2MX that you agree to be bound by the terms of this agreement (including schedule 3).

3.3 Partly Paid Securities

If you wish to place an Order to buy Partly Paid Securities, the terms in schedule 4 will apply to you. However, before you may place an Order to buy Partly Paid Securities, you will need to sign and return the Client Application (including Schedule 4) to D2MX or otherwise confirm in writing to D2MX that you agree to be bound by the terms of this agreement (including schedule 4).

4. Sponsorship

Unless agreed otherwise with D2MX, if you wish to buy, sell or otherwise deal in Traded Products under these arrangements, you must have a current Sponsorship Agreement with Pershing to enable easy transfer of your Traded Products under CHESS.

5. General conditions of trade

You acknowledge and agree:

- (a) to comply with these terms and conditions and all applicable legislation and the ASIC Market Integrity Rules, ASX Operating Rules, ASX Clear Operating Rules and ASX Settlement Operating Rules and the directions, decisions and requirements of ASX and the customs and usages of the Market. Copies of the ASIC Market Integrity Rules, ASX Clear Operating Rules and ASX Settlement Operating Rules can be inspected at offices of D2MX upon request; and

- (b) all Market Transactions are subject to the terms and conditions contained in this agreement, and on the Confirmation issued by or on behalf of D2MX, and to the ASIC Market Integrity Rules, ASX Clear Operating Rules, the directions, decisions and requirements of ASX and the customs and usages of the Market, the correction of errors and omissions and, if the sale or purchase is in relation to CS Approved Products, the ASX Settlement Operating Rules.

6. Account opening

You may apply to open a new Client Account with D2MX by completing an Application. D2MX may refuse to open a new Client Account for any reason in its absolute discretion.

You warrant and represent that:

- (a) the nominated account is an account in your name;
- (b) if you are more than one person or entity, then each such person or entity shall be jointly and severally liable under these Terms and Conditions;
- (c) if you are acting as trustee, you have the authority to be bound by these Terms and Conditions;
- (d) if you are a corporation, you hold a valid ACN or ABN under the Corporations Act and your principal place of business is in Australia;
- (e) if you are acting as an intermediary on another person's behalf, you are specifically authorised to deal in the relevant Traded Products, and you have the appropriate AFS Licence;
- (f) if you are a natural person, you are 18 years of age or over; and
- (g) each Order you place and each Market Transaction executed for you is lawful and you will at all times be in a position to meet all commitments on your part arising from Market Transactions under this agreement.

7. Orders and instructions

You agree that, if you wish to place any Order, you must communicate your Order and other instructions or information to D2MX. If (and only if) you are granted access to the DMA Service, you may also place Orders directly with D2MX through the DMA Service and you agree to be bound by the terms set out in Schedule 1.

D2MX may at any time, in its absolute discretion, refuse to accept any (or may place a limit on any) Order from, or execute Orders (including without limitation Orders relating to Derivatives Market Transactions) for, you (whether the Order is placed directly by you over the telephone or through the DMA Service). D2MX will not confirm to you the receipt of, nor will it be responsible for verifying the authenticity of any instructions given to it by or on behalf of you.

Subject to any instructions from you, D2MX will generally execute Orders in the sequence in which they are received. However, you acknowledge and agree that:

- (a) your Order may be automatically crossed against other orders before reaching the Market;
- (b) you will be charged the normal rate of commission for Orders which are crossed with D2MX's principal orders; and
- (c) D2MX may not be aware of principal orders that are being (or may be) executed, and that direct market access arrangements and program trading may make it impossible to prevent principal orders from being executed at the same time as (or before) your Order. Accordingly, you agree that D2MX may execute principal orders where your Order on the same terms is outstanding and that this document constitutes disclosure as required by ASIC Market Integrity Rule 5.1.8.

8. Licensee's use of DMA Service

D2MX may provide a DMA Service to you under which you may place your Orders directly into the Trading Platform through an electronic automated client order process. You acknowledge that if D2MX provides a DMA Service to you:

- (a) there may be delays in the processing, execution, amendment or cancellation of an Order entered through the DMA Service and:
 - (i) an Order may be wholly or partly filled before an instruction for its amendment or cancellation is processed; and
 - (ii) you remain liable to settle the original Order, until any relevant amendment or cancellation is effected;
- (b) the execution of an Order placed through the DMA Service may be delayed by filters or other electronic features of the electronic system;
- (c) D2MX is not responsible for the processing, execution or cancellation of any Orders submitted through the DMA Service, regardless of who enters such Orders and regardless of whether or not there is an error in the Order entry or for any delays in relation to the same;

- (d) except as required by law, D2MX makes no representations or warranties express or implied with respect to the DMA Service;
- (e) there are significant risks in trading through a DMA Service because it is serviced by means of computer and telecommunications systems, even where generally accepted industry standards and practices are followed, including that your data may not be protected, and there are risks that other users of the DMA Service, institutions or brokers may be able to see your Orders and other communications relating to trading and execution without your (or D2MX's) consent and that third parties (including persons on private networks) will have the ability to attach to your network; and
- (f) D2MX may terminate your participation in the DMA Service at any time without notice to you. If D2MX terminates your participation in the DMA Service, any access that you may have authorised for other persons to trade on your Client Account using the DMA Service will terminate at the same time.

9. Orders relating to sales

You agree that whenever you place a sale Order, you must notify D2MX whether or not your sale Order is a covered short sale – i.e. a sale where you have, at the time you place the sale Order, a legally binding commitment from a securities lender to lend the securities to you under a Securities Lending Arrangement.

Where your sale relates to a covered short sale, you must also inform D2MX at the time of placing the sale Order:

- (a) the number of ASX Products to be sold that are to be delivered under the Securities Lending Arrangement;
- (b) a description of the ASX Products (e.g. fully paid ordinary shares); and
- (c) the name of the entity that issued the ASX Products (e.g. BHP Billiton Limited).

You acknowledge that D2MX will not be permitted to execute a sale Order for you unless you have informed D2MX whether or not the sale Order relates to a covered short sale. You agree that, each time you place a sale Order with D2MX and notify D2MX that the sale Order relates to a covered short sale, you will be taken to have warranted and represented to D2MX that the sale will meet the requirements and conditions of the Corporations Act, Corporations Regulations and ASIC Class Orders (if any) (as amended from time to time) relating to covered short sales, (including without limitation that you have obtained a legally binding commitment from a securities lender to lend the relevant securities to you under a Securities Lending Arrangement).

10. Settlements

10.1 Settlement date and time

The Settlement Date and Time for sales or purchases is the date and time specified on the relevant Confirmation, or if no date and time are specified, it is 9.00am (Sydney time) on the third Business Day after the execution of the Market Transaction or, in the case of a Derivatives Market Transaction, on the first Business Day after execution of the Derivatives Market Transaction.

You represent and warrant that before placing any Order with us:

- (a) you will be in the position to pay for any Traded Products purchased and have a presently exercisable and unconditional right to vest any Traded Products sold to enable settlement at Settlement Date and Time;
- (b) in the case of a Derivatives Market Transaction, have the means to meet the obligations and margin requirements in respect of the Derivatives Market Transaction; and,
- (c) you will not place an Order for an AQUA Product unless you have received and read the Product Disclosure Statement relating to the product and the ASX Fact Sheet in relation to the ASX Managed Fund Settlement Service.

10.2 Purchases

You agree to and must ensure that all funds required to settle the relevant Market Transaction, and all brokerage, taxes costs, duties and charges in respect of that Transaction, are made available in your Cash Account before you place the Order in respect of that Market Transaction for withdrawal by Pershing. Payment in cash is not acceptable.

On the execution of a Market Transaction, which will, on settlement, require you to pay an amount of money to D2MX or Pershing, you acknowledge that the amount will be “locked” in your Cash Account. From that time, you will not be entitled to withdraw those “locked” funds from the Cash Account. Only Pershing will be entitled to use those funds for the purposes of settling the relevant transaction or otherwise as permitted under this agreement.

You authorise Pershing to:

- (a) appropriate any credits, payments receipts or amounts to which you are entitled (including amounts standing to the credit of any trading or cash management trust account); and
- (b) set off those credits, payment, receipts or amounts against any amount due or owing by you to D2MX.

Neither Pershing nor D2MX is required to transfer you any securities or other financial products acquired or purchased on your behalf, until D2MX has been paid in full for the relevant acquisition.

10.3 Sales

All documents and Security Holder Information (including the holder identification number and if applicable, holder reference number) must be received in a deliverable form two Business Days prior to the Settlement Date and Time.

Credits in respect of sales are not available until the latest of:

- (a) the Settlement Date and Time;
- (b) when all documents and Security Holder Information have been received in a deliverable form; or
- (c) all amounts due and payable by you to D2MX have been paid.

Sale proceeds will be paid directly to you unless D2MX has agreed alternative arrangements with you.

10.4 Confirmations

You will be given Confirmations as required by the Corporations Act and the ASIC Market Integrity Rules. You acknowledge that these may be in the form of a confirmation given by D2MX.

You authorise D2MX to dispatch confirmations to you electronically to the email address notified to D2MX from time to time for this purpose.

You must promptly check the accuracy of every confirmation sent to you and notify D2MX immediately of any error that you consider may have occurred. If D2MX does not receive any such notification from you within 24 hours, you will be taken to have accepted the accuracy of the Confirmation.

A Confirmation may at any time be re-issued to you in order to correct any errors or omissions and the terms and conditions of the original Confirmation will apply in relation to the reissued Confirmation.

If you are a Wholesale Client for the purposes of the ASIC Market Integrity Rules, D2MX may elect not to give any Confirmations to you in relation to Market Transactions executed for you. If D2MX so elects, this document is taken to be the notification required to be given by D2MX to you under the ASIC Market Integrity Rules.

Where D2MX enters into multiple Market Transactions in order to complete your Order, you authorise D2MX to accumulate those Market Transactions on a single Confirmation and to specify the volume weighted average price for those Market Transactions on that Confirmation. If requested by you, D2MX will, if required under the ASIC Market Integrity Rules, give you a statement of all the individual prices of the relevant transactions which are accumulated and averaged in a Confirmation.

10.5 Failure to settle

If you fail to settle by failing to make payment, or deliver any documents or Security Holder Information to Pershing in accordance with the relevant Confirmation, the Pershing Disclosure Statement or this agreement and Pershing exercises its right to assign the relevant debt to us, D2MX may do one or more of the following:

- (a) pass on to you all costs incurred as a result of that failure;
- (b) charge an administration fee calculated by reference to the additional cost which may be incurred by D2MX as a result of your failure to settle;
- (c) levy a default charge on the amount from time to time outstanding at a rate which D2MX would be required to pay on an overdraft facility with its then current bankers;
- (d) charge interest on any debit balances resulting from the failure to settle;
- (e) sell out (or procure the sale of) any securities or other financial products purchased on your behalf (and you are fully responsible for any loss in connection with such sale) and apply the proceeds in reduction of your liability to D2MX;
- (f) sell out (or procure the sale of) any securities or other financial products otherwise held by Pershing or D2MX on your behalf (and you are fully responsible for any loss in connection with such sale) and apply the proceeds in reduction of your liability to D2MX;

- (g) buy-in (or procure the purchase of) any securities or other financial products sold (with you being fully responsible for any loss in connection with such purchase) and recover the costs in so acting (and you acknowledge and agree that D2MX may be obliged to do so under the ASX Settlement Operating Rules if you have failed to settle the sale or ensure that the sale is settled by the fifth Business Day after the relevant sale order was executed);
- (h) apply any cash held by D2MX on your account to which D2MX has access, or payments received for or from you, to reduce your liability to D2MX; and
- (i) cancel any of your unexecuted orders,

and you authorise D2MX and each of its directors and employees as your attorney to give instructions on your behalf in respect of your Traded Product holdings sponsored by Pershing or D2MX in CHESS, or held by any of their related bodies corporate in nominee holdings, and in respect of call deposit facilities or cash management trust accounts on which they are authorised to give instructions, to enable D2MX to realise those Traded Products or funds and apply the proceeds in reduction of your liability to D2MX and to recover D2MX's costs in so acting.

If you fail to settle, D2MX may make arrangements on your behalf to ensure that your settlement obligations are performed.

You are responsible for and indemnify D2MX against all costs (including legal costs on a full indemnity basis), expenses, damages and losses arising in connection with any settlement failure referred to above including, without limitation, any consequential loss, brokerage, stamp duty, taxes, penalties, interest and legal costs.

You must pay or reimburse D2MX any such administration fees and default charges and any amounts covered by the indemnity as above (together with any GST payable on those amounts) immediately upon demand. D2MX may deduct any of those amounts (and any GST) from any sale proceeds or other amounts otherwise payable to you.

11. Cancellations

You authorise D2MX to, and agree that D2MX may, without your consent, cancel or amend (or request or agree to the cancellation or amendment of) any Market Transactions or Crossing relating to the sale or purchase (as the case may be) of Traded Products:

- (a) if a Relevant Exchange or D2MX exercises its power under the ASIC Market Integrity Rules to cancel or amend (or require the cancellation or amendment of) the market Transaction or Crossing; or
- (b) in the event of an error or otherwise in the circumstances contemplated in the ASIC Market Integrity Rules, your obligations in relation to the settlement of a Market Transaction cease to apply in respect of a cancelled transaction from the time it is cancelled.

12. Disclosure of interest

You acknowledge that D2MX may execute Orders for you in circumstances where D2MX or any of its associates:

- (a) holds a principal position or deals in the Traded Products;
- (b) provides similar services to other persons in relation to the Traded products;
- (c) takes the opposite position in a Market Transaction (including a crossing either acting for another client entitling it to charge commission on both sides of the transaction or on its own account);
- (d) sponsors or underwrites a new issue involving the Traded Products;
- (e) has material price sensitive information relating to Traded Products where the individuals processing your Order are prevented from knowing or taking into account such information by reason of Chinese Walls; or
- (f) has a potential conflict of interest of which you are not aware and which it is unable to disclose to you.

13. Fees and charges

You agree to pay D2MX (or Pershing as D2MX's agent) on demand all Market Transaction fees and charges, including our commission, software fees and other duties and taxes payable at the rates determined by D2MX from time to time and notified to you in writing.

You agree to pay D2MX on demand interest on any amounts owing to D2MX, at the rate at which D2MX would be required to pay on an overdraft facility with its current bankers at the relevant time.

14. GST

If D2MX is liable to pay GST on any supply made to you under or in connection with these terms, you must in addition to and at the same time as you are required to pay the GST exclusive amount in respect of the relevant supply, pay to D2MX an amount equal to the amount of GST for which D2MX is liable in connection with the relevant supply.

15. Interest on Pershing's trust account

You acknowledge that the D2MX Clearing Participant, Pershing, will retain the interest (if any) earned on monies held in its trust account from time to time.

16. Indemnity

In addition to the above, if as a result of failure by you to settle, or other breach by you of this agreement or other agreement with D2MX, D2MX or any of its employees, agents and representatives (each an Indemnified Person) suffers any claim, liability, direct or consequential loss or incurs any cost, charge or expense of any nature, you must on demand fully indemnify each Indemnified Person and keep each of them fully indemnified in respect of such claim, liability, loss, cost, charge or expense.

17. Amounts owing

If you have not paid any debt to D2MX, D2MX may assign that debt to you and you agree that the assigned debt is an obligation of yours to D2MX.

18. Information

You warrant that all information provided by you to D2MX or Pershing (including in your Application) is, or will be when given, accurate, true and correct and further agree to immediately notify D2MX in writing upon becoming aware that such information is no longer accurate, true and correct including any change in address, telephone number or email address.

You agree that D2MX and Pershing may share such information, as well as your account details and information regarding your transactions in Traded Products with each other and with D2MX's related bodies corporate on a confidential basis as D2MX considers appropriate. You also consent to D2MX and Pershing disclosing such information and your account details to any regulatory authority, and consent to each of them using such information and your account details for the purposes of monitoring compliance by you, or any of them with their respective regulatory and contractual obligations, and resolving disputes.

19. Acknowledgements

You acknowledge that:

- (a) you have received a copy of the D2MX Financial Services Guide (FSG). D2MX reserves the right to change the FSG at any time without notice, subject to its obligations under the Corporations Act. A copy of the current FSG can be obtained on the website or on request;
- (b) if you have been referred to D2MX by or on behalf of a broker or other third party, that broker or third party may receive benefits in the form of a commission or rebate from us;
- (c) you have read and understood all documentation provided to you by D2MX including this agreement, any product disclosure statement, ASX Explanatory Booklet for Understanding Options Trading and Understanding Trading and Investment Warrants (if applicable); and
- (d) where you receive Confirmations by electronic means only, you accept that the conditions set out in the A SIC Market Integrity Rules apply.

20. No personal advice

You acknowledge that D2MX will not provide you with personal financial product advice, and does not accept responsibility for any personal financial product advice given to you. To the maximum extent permissible by law, you agree that you must not represent to any person that D2MX has given any personal financial product advice to you. D2MX has no liability (including in negligence) for any investment decisions made by you or any Market Transactions executed on your behalf, including any diminution in value, in or for your account.

You acknowledge that any general advice provided by D2MX will not take into account your financial situation, investment objectives and particular needs and you will seek independent advice before you transact with respect to such advice.

21. Credit references

You agree that D2MX may make such enquiries as it thinks fit of any person, including your employer, your bank or a credit agency relating to your creditworthiness.

22. Anti-Terrorism/Money Laundering

You acknowledge that we are subject to various anti-money laundering and counter-terrorism financing laws (**AML/CTF Laws**) which may prohibit us from offering services or entering into or conducting transactions. You agree that we are not required to take any action or perform any obligation under or in connection with this document if we are not satisfied as to your identity or where we suspect on reasonable grounds that by doing so we may breach the AML/CTF Laws.

You acknowledge that the AML/CTF Laws include 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 finance to, any person or entity involved (or suspected of involvement) in terrorism or any terrorist act

You agree that we may delay, block or refuse to make any payment or to provide any service if we believe on reasonable grounds that to do so may breach any law in Australia or any other country, and we will incur no liability to you if we do so.

You agree to provide all information and documents to us which we reasonably require to comply with any law in Australia or any other country, including any AML/CTF Laws. You agree that we may disclose information which you provide to us, or about transactions you are or seek to conduct with us, where we are required to do so by any law in Australia or any other country.

You represent and warrant to us that the payment of monies by us in accordance with this document, or any instructions given by you, will not breach any law in Australia or any other country.

23. Variation and termination

D2MX may amend this agreement from time to time. D2MX will give you 10 days notice of any amendment, after which time the amendment will become effective.

D2MX may terminate this agreement immediately if you engage in any market manipulation, fraudulent conduct or conduct in breach of the Corporations Act. D2MX may terminate this agreement at any time and without any reason by giving you five Business Days notice. 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.

24. Notices

Notices given by D2MX must be in writing and may be sent to the address, fax number or email address specified in your Application or later notified by you, or by posting the notice on its website. Any notice or Confirmation given by D2MX is taken to have been received on the business day following the transmission or posting of the notice, demand or Confirmation.

Where a Client Account is opened in the joint names of more than one Client, each of you agrees that D2MX may discharge any obligation it has to give a notice or a document to you under this agreement or the Corporations Act by giving notice to any one of you.

25. Authorised Agents

You may at any time, by notice to D2MX, 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, and email address of that person and be verified by you and, in the case of a corporate client, by a Director of the client.

You are and will remain solely liable and responsible for all acts and omissions of your Authorised Agent notwithstanding that an act or omission of the Authorised Agent was outside their actual or ostensible authority or in error, fraudulent, negligent, in breach of its fiduciary duties or criminal.

You agree not to make, and release D2MX from any right that you may have to make, any Claim against D2MX for any Loss incurred or suffered by you which may arise in connection with any act or omission by the Authorised Agent.

26. Complaints

Complaints should be referred to D2MX in accordance with the procedure in the Financial Services Guide provided to you.

27. National Guarantee Fund

As D2MX is a Trading Participant of ASX, you may make a claim on the National Guarantee Fund (**NGF**) in the circumstances specified under part 7.5 of the Corporations Act and the Corporations Regulations. (For more information on the circumstances in which you may make a claim on the NGF or for information on the NGF generally, contact the Securities Exchange Guarantee Corporation Pty Limited ABN 19 008 626 793.)

D2MX has professional indemnity insurance which D2MX considers is adequate having regard to:

- (a) the volume and types of business carried on by it; the number and types of its clients; the number of its representatives; and
- (b) any particular or potential claims that may arise pursuant to our participation in external dispute resolution schemes, including the FOS scheme.

D2MX considers that these compensation arrangements satisfy the requirements of s 912B of the Corporations Act and associated regulations.

28. Governing law

This agreement is governed by the law in force in Victoria and you and D2MX submit to the non-exclusive jurisdiction of the court of Victoria and courts which may hear appeals from those courts.

29. Definitions

AFS Licence means an Australian financial services licence issued under the Corporations Act.

this agreement means the agreement constituted by your acceptance of the terms and conditions contained in this document (including the Schedules to this document).

Application means an application to open a Client Account with D2MX.

APX means Asia Pacific Exchange Limited ACN 080 399 220.

ASIC means the Australian Securities and Investment Commission.

ASX means ASX Limited ABN 98 008 624 691

ASX Clear means the ASX Clear Pty Limited (ABN 48 001 314 503). ASX Clear is a wholly owned subsidiary of ASX.

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

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

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532) or another clearing facility approved to clear securities and other financial product transactions effected on ASX.

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

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

ASX means ASX Limited (ABN 95 008 624 691).

Authorised Agent means the person (if any) described as the authorised agent of you in the Application or another person notified by you to D2MX in writing.

Business Day has the meaning given to it in the ASIC Market Integrity Rules.

Cash Account means an account with a bank, other deposit taking institution or a cash management trust, approved by Pershing for the purposes of this agreement from time to time.

CHES means the Clearing House Electronic Subregister System.

Chi-X means Chi-X Australia Pty Ltd ABN 47 129 584 667

Chi-X Market Integrity Rules means the *ASIC Market Integrity Rules (Chi-X Australia Market) 2011* as amended from time to time.

Chi-X Operating Rules means the operating rules of Chi-X as amended from time to time.

Clearing Participant means Pershing Securities Australia Pty Ltd ABN 60 136 184 962 AFSL No 338264.

Client Account means a trading account with D2MX.

Confirmation means any confirmation issued by D2MX or on its behalf on execution of an order and includes an electronically transmitted confirmation.

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Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Crossing has the meaning given to it in the Market Integrity Rules.

D2MX means D2MX Pty Ltd ABN 98 113 959 596 AFSL 297950

Derivatives Market Transaction has the meaning given to it in the ASIC Market Integrity Rules.

Derivatives Products has the meaning given to it in Schedule 2.

DMA Service means service under which a person enters orders to be registered in D2MX's system and, if accepted for submission into a Trading Platform of ASX by D2MX, submitted as corresponding Trading Messages without being re-keyed by a Designated Trading Representative of D2MX.

Error has the meaning given to it in the Exchange Rules and in relation to Chi-X, has the meaning given to "error trade" in the Chi-X Operating Rules, and has the meaning of any equivalent term in any other Exchange Rules including without limitation "error" or "trade error".

Exchange Rules means the operating rules of each Relevant Exchange and the Market Integrity Rules.

Loss or claim includes without limitation any expense, costs, liability, claims, damages, fees, taxes, duties, penalties, interest, legal costs (on a full indemnity basis), judgement, consequential, special or indirect loss or loss of prospective profits.

Market means the market operated by the Market Operator under the Market Integrity Rules.

Market Integrity Rules means any market integrity rules made by ASIC in accordance with Part 7.2A of the Corporations Act, as amended from time to time, that apply to a Relevant Exchange, including, without limitation, the ASX Market Integrity Rules, the Chi-X Market Integrity Rules and the Competition Market Integrity Rules.

Market Transaction has the meaning given to it in the ASIC Market Integrity Rules and means a transaction in Traded Products executed through ASX.

NSX means National Stock Exchange of Australia Limited ABN 11 000 902 063.

Order means any order or instruction placed by you with D2MX to purchase, sell, issue, redeem or otherwise deal in Traded Products.

Participant Sponsored Holding has the meaning given to it in the ASX Settlement Rules. Partly Paid Security has the meaning given to it in the ASIC Market Integrity Rules.

Pershing means Pershing Securities Australia Pty Ltd (ABN 60 136 184 962) (AFS Licence No. 338264).

Relevant Exchange means ASX or Chi-X, NSX or APX and, without limitation, any other exchange on which D2MX transacts Orders, or the financial markets operated by them (as the context requires).

Settlement Date and Time means the date and time specified on the relevant Confirmation, or if no date and time are specified, it is 9.00am (Sydney time) on the third Business Day after the execution of the Market Transaction

Traded Products has the meaning given to Cash Market Products in the ASX Market Integrity Rules (and includes Derivatives Products and an AQUA Product) and Equity Market Product in the Chi-X Market Integrity Rules and for other Relevant Exchanges, means the cash equities products (excluding derivatives) admitted for quotation on the relevant market as described in the relevant Exchange Rules or Market Integrity Rules (as the context requires) for that Relevant Exchange.

Trading Participant has the meaning given to that term in the ASX Market Integrity Rules and to Market Participant in the Chi-X, APX or NSX Market Integrity Rules.

Transaction has the meaning given to Cash Market Transaction in the ASX Market Integrity Rules or Equity Market Transaction in the Chi-X Market Integrity Rules and for other Relevant Exchanges, has the meaning given to transaction in cash equities products (excluding derivatives) admitted for quotation on the relevant market as described in the relevant Exchange Rules or Market Integrity Rules (as the context requires) for that Relevant Exchange.

Warrant has the meaning given to it in the ASIC Market Integrity Rules.

We, us, our means D2MX.

You means the person or persons in whose name the Client Account is opened with D2MX or named on the account opening or application form as the client. If that is more than one person, "you" means each of them separately and every two or more of them jointly. "You" includes your successors and assigns.

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Words expressed in the singular include the plural and vice versa.

Unless the context otherwise requires, a reference to a document or agreement includes any variation or replacement of it and 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.

Words used in this document have the meanings given to them in the ASIC Market Integrity Rules, ASX Operating Rules, ASX Clear Operating Rules or the ASX Settlement Operating Rules. If you require a copy of these definitions please contact D2MX.

If you are a joint holder, these terms and conditions bind each person jointly and severally, and each person is authorised to issue instructions to D2MX and Pershing and give receipts to them in relation to any purchase or sale of Traded Products or other matters to which these terms and conditions relate.

You agree that in the event of any inconsistency between this document and any applicable laws, the ASIC Market Integrity Rules, ASX Clear Operating Rules or ASX Settlement Operating Rules, the latter will prevail to the extent of the inconsistency.

You acknowledge that this document is not exhaustive and agree to be bound by other policies and procedures which concern the operations of your account with D2MX as notified to you from time to time.

Schedule I – DMA Service terms

The following terms and conditions apply if the Client is given access by D2MX to the DMA Service.

1. Access to the trading system

No person other than an Authorised Person may at any time submit an Order for the Client (whether as principal or as agent for the Client) through the DMA Service using the Security Information provided by D2MX to the Client (as the case may be).

D2MX may in its discretion at any time limit the number of Authorised Persons who are permitted to submit Orders for the Client (whether as principal or as agent for the Client) through the DMA Service.

D2MX and the Client must not authorise, allow nor permit any person other than an Authorised Person to access or use the DMA Service using the Security Information.

D2MX and the Client acknowledge and agree that D2MX may, in its absolute discretion:

- (a) refuse to approve as an Authorised Person any person nominated by the Client for that purpose;
- (b) revoke its approval of an Authorised Person at any time; and
- (c) from time to time test whether an Authorised Person has adequate knowledge of the DMA Service and the Dealing Rules (as defined in the ASIC Market Integrity Rules), directions, decisions and requirements of ASX relevant to the type of order submission facilities given to the Authorised Person by D2MX.

The Client must notify D2MX immediately once any Authorised Person ceases to be authorised by the Client to access the DMA Service on the Client's behalf.

2. Use of the system

The Client acknowledges that:

- (a) the DMA Service is accessible through the DMA System;
- (b) neither D2MX nor any related body corporate of D2MX makes any representation or warranty, express or implied, to the Client or to any other person regarding the DMA System, nor provides any guarantee with respect to the DMA System, including without limitation, with respect to the operation, functionality, effectiveness, accuracy, reliability, merchantability, quality or fitness for purpose;
- (c) neither D2MX nor any related body corporate of D2MX is in any way responsible or liable to the Client or any person claiming through D2MX or the Client, for any loss that results from the Client's use of the DMA System, or from any failure, error or defect of or in the DMA System;
- (d) you the Client is solely responsible for assessing the adequacy of the DMA System and for deciding whether or not to access it; and
- (e) it is the Client's responsibility to obtain, at their own expense, all hardware and software to be used by the Client in connection with use of the DMA Service.

3. Security information

The Client acknowledges that the Security Information is confidential and agrees that the Client is responsible for maintaining its confidentiality.

The Client agrees that it must:

- (a) only use the Security Information in accordance with these terms;
- (b) not disclose the Security Information (or any part of it) to any person or persons (including its employees, contractors, agents and consultants) other than to an Authorised Person;
- (c) ensure that at all times, each Authorised Person maintains the confidentiality of the Security Information;
- (d) notify D2MX immediately upon becoming aware that any Security Information has been or may be used or disclosed in a manner that is not consistent with these terms; and
- (e) regularly review and, if necessary, upgrade the security of its network through which the Client accesses the DMA Service to ensure that only Authorised Persons are able to access or use the DMA Service.

4. Submitting orders through the DMA Service

4.1 Permission to submit Orders using Security Information

The Client acknowledges and agrees that it (and/or any Authorised Person) is permitted to submit Orders through the DMA Service only if it or they do so using the Security Information.

4.2 Responsibility for submitting Orders

The Client:

- (a) determines the time at which Orders are submitted through the DMA Service;
- (b) is responsible for all Orders submitted through the DMA Service (whether as principal or as agent for the Client) using the Security Information, regardless of who enters such Orders and regardless of whether or not there is an error in the Order entry;
- (c) is bound by any agreement entered into on its behalf in reliance on such Orders;
- (d) is liable for any reasonable expense incurred by D2MX in reliance on such Orders; and
- (e) accepts the sole risk and responsibility for Orders submitted by it through the DMA Service, including any Order submitted in error.

4.3 Order priority

The Client acknowledges that:

- (a) all Orders submitted by it (whether as principal or as agent for the Client) through the DMA Service are, subject to any Filters, entered on an ASX Trading Platform in the sequence in which they are received, and otherwise as expeditiously as practicable; and
- (b) this may result in D2MX's principal orders being satisfied ahead of an Order.

4.4 Acknowledgment about resubmitting purged Orders

The Client acknowledges that Orders purged from an ASX Trading Platform by ASX will not be resubmitted to that ASX Trading Platform by D2MX.

4.5 No pre-arranged Orders

The Client undertakes to ensure that any Orders placed through the DMA Service which match opposite orders placed by D2MX in a ASX Trading Platform, either as agent or principal, will be of an accidental nature, meaning that no pre-arrangement of the matched orders will have taken place with D2MX, and will not detract in any way from your Orders transacting in a ASX Trading Platform under strict rules of time and price priority.

5. Orders relating to derivatives products

5.1 Derivatives Client terms

The Client must not submit an Order through the DMA Service in relation to a Derivatives Product unless the Client has signed and returned a copy of this agreement (including schedule 2) to D2MX or otherwise confirmed in writing to D2MX that the Client agrees to be bound by the terms of this agreement (including schedule 2).

5.2 Closing out derivatives contracts

If, as a result of Orders submitted by the Client through the DMA Service, a Derivatives Contract registered in the Client's account with Pershing as Buyer and a Derivatives Contract in the same Series or Delivery Month is registered in the Client's account with Pershing as Seller, D2MX will use its best endeavours to ensure that the corresponding Derivatives Contracts registered with ASX Clear are closed out by ASX Clear in accordance with ASX Clear Operating Rule 13.2.

However, the Client acknowledges and agrees that the Client's obligations in relation to those Derivatives Contracts continue in force until ASX Clear has closed out the corresponding Derivatives Contracts registered with it in accordance with ASX Clear Clearing Rule 13.2.

5.3 Exercise of a Derivatives Contract

The Client acknowledges that, if the Client wishes to exercise a Derivatives Contract registered in the Client's account with Pershing:

- (a) the Client is able to do so through the DMA Service (whether or not that Derivatives Contract was bought through the DMA Service); and
- (b) the Client must contact D2MX directly in order to communicate the Client's instruction to exercise that Derivatives Contract.

6. Orders to purchase warrants

The Client must not submit an Order through the DMA Service to purchase Warrants unless the Client has signed and returned a copy of this agreement (including schedule 3) to D2MX or otherwise confirmed in writing to D2MX that the Client agrees to be bound by the terms of this agreement (including schedule 3).

7. Orders to purchase partly paid securities

The Client must not submit an Order through the DMA Service to purchase Partly Paid Securities unless the Client has signed and returned a copy of this agreement (including Schedule 4) to D2MX or otherwise confirmed in writing to D2MX that the Client agrees to be bound by the terms of this agreement (including schedule 4).

8. Trading rules

8.1 DMA Trading Limits

D2MX may at any time through the DMA Service impose, and from time to time vary, DMA Trading Limits. Without limitation, D2MX may impose DMA Trading Limits on any or all of the following:

- (a) the value or number of any buy Orders or trades;
- (b) the value or number of any sell Orders or trades;
- (c) the available cleared funds;
- (d) the available sponsored stock;
- (e) the net value of any buy Orders or trades less sell Orders or trades;
- (f) the gross value of any buy Orders or trades and any sell Orders or trades;
- (g) the value of any Order or trade; and
- (h) the value of any Order submitted by one or more Authorised Person, or trade undertaken by such a person.

The Client must comply, and ensure that each Authorised Person complies, with all applicable DMA Trading Limits.

8.2 Prohibited orders

The Client must ensure that:

- (a) each Authorised Person accesses the DMA Service in a way that ensures fairness, efficiency and ongoing protection of market integrity;
- (b) it does not place an Order through the DMA such that the beneficial ownership of the financial products which are the subject of the Order would not change if the Order was executed;
- (c) it does not take any action, fail to take any action or place any Order through the DMA Service where that Order (or the resulting transaction) would violate or cause or result in the Client or D2MX violating any Applicable Regulation, including without limitation, any Applicable Regulation in relation to:
 - (i) market manipulation, false trading, market rigging, fictitious transactions, wash trading or matching of orders;
 - (ii) insider trading;
 - (iii) front running;
 - (iv) fraud;
 - (v) creation of a disorderly market or otherwise prejudicing the integrity or efficiency of the market; or
 - (vi) misleading or deceptive conduct; and
- (d) each Order is submitted in accordance with these terms or any policy or operational guideline published by D2MX from time to time in relation to the DMA Service.

8.3 Filters

D2MX may impose Filters to restrict the placement of any Orders or the execution of any trades through the DMA Service, including (without limitation) Filters whose object is to:

- (a) prevent a breach of the provisions set out in this clause 8;
- (b) prevent Orders being registered with an ASX Trading Platform where the price at which the Order is submitted through the DMA Service is too far from the prevailing market price for the relevant security or financial product;
- (c) ensure that ACOP does not interfere with the efficiency and integrity of the market conducted by ASX;
- (d) ensure that ACOP does not interfere with the proper functioning of any ASX Trading Platform; or
- (e) facilitate compliance with, and prevent breaches of, the Applicable Regulations.

D2MX has, and accepts, no responsibility or liability to the Client, a client or any person claiming through the Client for failing to submit such Orders to an ASX Trading Platform.

8.4 Delays

The Client acknowledges that there may be delays in the processing or execution of an Order placed through the DMA Service, and:

- (a) an Order may be wholly or partly filled before an instruction for its amendment or cancellation is processed;
- (b) the Client remains liable to D2MX to settle the original Order, until any relevant amendment or cancellation is effected; and
- (c) D2MX will not be liable for any loss or damage to the Client by reason of any delay in processing any Order submitted through the DMA Service.

8.5 D2MX takes no responsibility

The Client acknowledges that D2MX takes no responsibility for the processing, execution or cancellation of any Orders placed through the DMA Service or for any delays in relation to the same.

9. Reconciliation

If the Client entered the Order into the DMA Service, the Client is responsible for reconciling end-of-day confirmations against its records on any given trading day, and must communicate to D2MX, any discrepancies found in this reconciliation before the market opens on the next trading day. The Client acknowledges that D2MX is not responsible in any circumstances for losses of any kind of the Client that occur through errors that go undetected as a result of the failure of the Client to perform this reconciliation.

10. Principal trading by D2MX

The Client acknowledges that D2MX and/or any of D2MX's related bodies corporate may:

- (a) enter a transaction in securities, derivatives, warrants and other financial products on ASX as principal and, where permitted by law, may take the opposite position in any such transaction, acting either for a client or on D2MX's own account (and the Client consents to D2MX and/or D2MX's related bodies corporate entering such transactions and taking such positions); and
- (b) place principal orders on the same terms as any Order, and that D2MX's order may be filled before an Order due to it being entered into the relevant ASX Trading Platform prior to the Order.

11. D2MX's warranties and liabilities

11.1 No representations or warranties about the DMA Service

Subject to those provisions of the Trade Practices Act 1975 (Cth) and any other rights implied by law, which cannot be excluded by agreement between the parties, D2MX makes no representations or warranties express or implied, including without limitation, any implied warranties as to merchantability, quality or fitness for a particular purpose or otherwise (including as to accuracy, currency, availability, completeness or quality) with respect to the DMA Service.

11.2 Exclusion of liability

The Client acknowledges that the DMA Service is provided at its risk and that to the extent permitted by law, D2MX excludes all liability in contract, tort (including negligence) or otherwise relating to or resulting from use of the DMA Service, including without limitation, liability for any loss or damage (including incidental, indirect and consequential loss and damage, loss of prospective profits, or expenses) incurred or suffered by the Client directly or indirectly, as a result of:

- (a) any defect, delay, failure, inaccuracy in, use of or inability to use the DMA Service; or

- (b) any government restriction, exchange or market rulings, suspension of trading computer or telephone failure, unlawful access to the DMA Service, theft, sabotage, war, earthquakes, strikes force majeure and without limitation, any other conditions beyond D2MX's control.

11.3 Limitation of liability in any event

D2MX's liability shall in any event be limited to:

- (a) in the case of goods, replacement or repair of the goods; and
- (b) in the case of services, re-supply of the services.

11.4 System and trading risks

The Client acknowledges that there is significant risk in trading through a system, including the DMA Service, which is serviced by means of computer and telecommunications systems, even where generally accepted industry standards and practices are followed, including that:

- (a) the access to and use of the DMA Service cannot be operated in all circumstances without error including, without limitation, errors in computer programs and telecommunications systems. These errors may result in, among other things:
 - (i) a delay in telecommunications services;
 - (ii) interrupted service and faults, such that the DMA Service may not remain accessible at all times during the trading day and there may be problems affecting the stability of the DMA Service that could cause the Client to be unable to enter Orders via the DMA Service during normal trading hours;
 - (iii) Orders and other communications relating to trading and execution not reaching D2MX or being lost, rejected or partially received or sent, such that they are not accurately received or sent by the Client or D2MX and are not representative of the original content of the Orders and other communications relating to trading and execution;
 - (iv) inaccuracies in the provision of the DMA Service and generally;
- (b) the Client's data may not be protected, and there are risks that other users of the DMA Service, institutions or holders or an Australian Financial Services Licence will be able to see Orders submitted by the Client and other communications relating to trading and execution without the Client's (or D2MX's) consent and that third parties (including persons on private networks) will have the ability to attach to the Client's network;
- (c) Orders and other communications relating to trading and execution and other data submitted to the DMA Service will not remain confidential;
- (d) the Client's system may not be compatible with the DMA Service or an ASX Trading Platform, and that this incompatibility may lead to an unstable environment; and
- (e) Orders may be placed through the DMA Service without the Client's authority by a person using the Security Information given to the Client and accordingly, that trades which have not been authorised by the Client may be executed.

12. Termination

D2MX may terminate the Client's participation in the DMA Service at any time by notice in writing.

The Client may terminate its participation in the DMA Service by request in writing to D2MX.

Termination of the Client's participation does not affect its outstanding obligations under this agreement or any other agreement you have with D2MX.

13. Definitions

Authorised Person means a person who is nominated and permitted by D2MX to submit Orders through the DMA Service using the Security Information provided by D2MX.

ACOP has the meaning given to Automated Client Order Processing in the ASIC Market Integrity Rules.

ASX Trading Platform means a Trading Platform (as defined in the ASIC Market Integrity Rules) which is made available by ASX in relation to Cash Market Products (as defined in the ASIC Market Integrity Rules).

Client means the person or persons described as the client in the Application Form in respect of which D2MX has granted access to the DMA Service.

Derivatives Contract has the meaning given to Options Market Contract or Derivatives CCP Contract, each as defined in the ASX Clear Operating Rules or the corresponding contract between D2MX or Pershing and you, as the context requires.

DMA Trading Limits means the limits that D2MX may place on the Orders that may be submitted and/or the trades that may be undertaken through the DMA Service.

Filters mean the restrictions D2MX imposes, whether by automated or manual means, to limit the Client's ability to place Orders through the DMA Service.

Order means an order for the purchase or sale of (or other dealing in) securities and/or financial products made through the DMA Service using the Security Information provided to you and, as the context requires, includes (without limitation):

- (a) an order or instruction to amend or cancel an existing order submitted through the DMA Service, and
- (b) an order or instruction to open or close out a position in Derivatives Contracts.

Security Information means the user code, user name and password given to the Client by D2MX in connection with use of the DMA Service.

Schedule 2 – Derivatives client agreement between D2MX and client

The following terms and conditions apply if the Client is to trade in Derivatives Products.

1. Instructions [ASIC Minimum Term 3.1.7(I)(a)]

The Client may from time to time, if D2MX gives the Client access to the DMA Service, by placing an Order through the DMA Service, instruct D2MX to deal in the following kinds of derivatives which are traded on ASX:

- (a) Options (sometimes referred to as Exchange Traded Options);
- (b) Share Ratio Contracts; and
- (c) other kinds of derivatives traded on ASX, not including Futures (hereafter “**Derivative Products**”).

If the Client gives instructions to D2MX to deal in a Derivative Product in which D2MX is not authorised to deal under this clause, D2MX will notify the Client immediately and the instruction will be deemed as NOT authorised.

2. Explanatory Booklet (retail investors only) [ASIC Minimum Term 3.1.7(I)(b)]

The Client has received and read a copy of the current explanatory booklet published by ASX in respect of each Derivative Product.

3. Margins

The Client agrees not to breach, either alone or in concert with others, the position or exercise limits referred to in the Explanatory Booklet described in clause 2 above. The Client agrees to maintain a deposit or bank guarantee for such sum as will from time to time be required by ASX. The Client acknowledges D2MX's rights to close out any contract where the Client fails to deposit the required margin or make the required payments as advised by D2MX in accordance with ASX Clear Operating Rules or additional D2MX requirements.

4. Authorisation for lodgement and withdrawal of CHESS Securities with ASX Clear

The Client agrees to authorise Pershing Securities Australia Pty Ltd ABN 60 136 184 962 (Pershing). (D2MX's Third Party Clearer) to lodge or withdraw ASX Clear approved CHESS Securities held by the Client or the Client's designated accounts with D2MX for the purpose of covering ASX Clear margin requirements.

If the Client wishes to write an Option and this Option is to be covered by CHESS Securities as collateral, the Client agrees to instruct D2MX to lodge the relevant CHESS Securities (including details of NC number, security code, quantity which is to be lodged).

Note: where practical D2MX will lodge CHESS Securities to offset margins as the need arises. Instructions can be emailed to dtr@d2mx.com.au or call us on 1300 130 545 (where CHESS Securities are to be sold or withdrawn from ASX Clear, or where CHESS Securities have not been lodged with ASX Clear and should be).

5. Clearing arrangements between D2MX and Pershing

D2MX is a party to a Clearing Agreement with Pershing, an admitted General Participant of ASX Clear.

Prior to placing an order with D2MX to deal in Derivative Products, the Client must have signed a Client Agreement with Pershing.

6. Nature of D2MX's obligations [ASIC Minimum Term 3.1.7(I)(d)(i)]

Notwithstanding that D2MX may act in accordance with the instructions of, or for the benefit of, the Client, the Client acknowledges that any contract arising from any order submitted to the Market (as defined in the ASIC Market Integrity Rules), is entered into by D2MX as principal.

7. Obligations of Client owed to Pershing

The Client acknowledges that, subject to clause 21.3 below, immediately upon execution of a transaction in Derivative Products by D2MX on behalf of the Client, Pershing (and not D2MX) is obliged as principal and has the Clearing Obligations (as defined in the ASIC Market Integrity Rules) for that transaction (including upon registration, obligations to ASX Clear as principal) even though the transaction has been entered into by D2MX on the Client's behalf.

Where the Client owes an obligation to deliver funds, security or information to Pershing that obligation will not be satisfied by delivery to D2MX.

8. Application of ASIC Market Integrity Rules and ASX Operating Rules [ASX Minimum Term 1 and ASIC Minimum Term 3.1.7(I)(d)(vii)]

The Client and D2MX are bound by the ASIC Market Integrity Rules, the Corporations Act and the Procedures, customs, usages and practices of ASX and its related entities as amended from time to time in so far as they apply to Derivative Products traded on ASX for the Client.

The Client acknowledges that each Derivative Product registered with ASX Clear is subject to the ASX Clear Operating Rules and the practices, directions, decisions and requirements of ASX Clear.

9. Authority [ASIC Minimum Term 3.1.7(I)(c)]

The Client acknowledges that the Client is either:

- (a) acting as principal; or
- (b) acting as an intermediary on another's behalf and is specifically authorised to transact the ASX Derivative Products, by the terms of:
 - (i) an Australian financial services licence under the Corporations Act held by the Client;
 - (ii) a trust deed (if the Client is a trustee); or
 - (iii) an agency contract.

10. Tape recording of conversations [ASIC Minimum Term 3.1.7(I)(d)(iv)]

The Client acknowledges that D2MX may record telephone conversations between the Client and D2MX. If there is a dispute between the Client and D2MX, the Client has the right to listen to any recording of those conversations.

11. Commissions and fees [ASX Minimum Term 2, ASIC Minimum Term 3.1.7(I)(d)(iii)]

The Client must pay to Pershing (as agent for D2MX) commissions, fees, taxes and charges, charged by D2MX in connection with dealings for the Client in Derivative Products at the rates determined by D2MX from time to time and notified to the Client in writing.

Commission charged by D2MX to the Client is collected by Pershing on behalf of D2MX. Pershing will account to D2MX for such commission after deducting fees which Pershing charges to D2MX.

Commission is also payable to Pershing, where Pershing has been requested (in accordance with the Clearing Agreement), to act on behalf of D2MX on a contract for the transfer of Underlying Financial Products following the exercise of a Derivatives Contract. Pershing will pass on part of that commission to D2MX.

12. Right to refuse to deal [ASIC Minimum Term 3.1.7(I)(d)(v)]

The Client acknowledges that D2MX may at any time refuse to deal in, or may limit dealings in, the Derivative Products for the Client. D2MX is not required to act in accordance with the Client's instructions, where to do so would constitute a breach of the ASIC Market Integrity Rules, ASX Operating Rules or the Corporations Act. D2MX will notify the Client of any refusal or limitation as soon as practicable.

13. Termination of Agreement [ASIC Minimum Term 3.1.7(2)]

Either the Client or D2MX may terminate this Agreement by giving notice in writing to the other. Termination will be effective upon receipt of the notice by the other party.

14. Effect of termination [ASX Minimum Term 5 and ASIC Minimum Term 3.1.7(2)]

Termination does not affect the existing rights and obligations of the Client or D2MX at termination.

Upon termination of this Agreement, Pershing will close out all Derivatives Contracts entered into by Pershing 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 Clearing Participant in accordance with the ASX Clear Operating Rules.

15. Amendment

This Agreement may be amended by D2MX from time to time. D2MX will give the Client 10 days notice of any amendment, after which time, the amendment will become effective.

16. Revised Terms prescribed by ASX [ASX Minimum Term 6]

If ASX prescribes amended minimum terms for a Client Agreement for the Derivative Products for the purposes of the ASIC Market Integrity Rules (New Terms), to the extent of any inconsistency between these terms and the New Terms, the New Terms will override the terms of the Client Agreement and apply as if the Client and D2MX had entered into an agreement containing the New Terms.

17. D2MX to provide Client with copy of changes [ASX Minimum Term 7]

D2MX will provide a copy of the New Terms to the Client as soon as practicable after ASX prescribes the New Terms.

18. Dealing as Principal [[ASIC Minimum Term 3.1.7(I)(d)(ii)]

The Client acknowledges that D2MX may, in certain circumstances permitted under the ASX Operating Rules, Corporations Act and the ASIC Market Integrity Rules, take the opposite position in a transaction in the Derivative Products, either acting for another client or on its own account.

19. Investment in ASX Derivative Products

The Client has formed the view that investment in Derivative Products is appropriate to the Client's financial situation, investment objectives and particular needs.

20. Client to Provide Information [ASX Minimum Term 3]

The Client will take all reasonable steps to deliver information or documentation to D2MX, or cause information or documentation to be delivered to D2MX concerning transactions in Derivative Products (including Option Transactions) which are requested by a person having a right to request such information or documentation. D2MX is authorised to produce the information or documentation to the person making the request.

The Client agrees that D2MX may disclose such information (or documentation), any of the Client's account details and information (or documentation) regarding transactions in financial products (including transactions relating to Derivative Products or to the exercise of Derivative Products) of the Client to Pershing for use for the purposes of this agreement, and for the purposes of monitoring compliance by the Client, D2MX or Pershing with their regulatory and contractual obligations, and resolving disputes.

21. Allocation (give up)

21.1 Client acknowledgement

The Client acknowledges that Pershing is obliged as principal and has the Clearing Obligations in respect of all transactions in relation to Derivative Products which are executed by D2MX on behalf of the Client, unless, in relation to a specified transaction or transactions:

- (a) the Client has consented to the allocation of the Derivatives Contract to another Clearing Participant;
- (b) Pershing has consented to the allocation of the Derivatives Contract to that other Clearing Participant;
- (c) Pershing has provided that consent prior to the Derivatives Contract being registered with ASX Clear;
- (d) that other Clearing Participant has accepted the allocation of those trades in accordance with the ASX Clear Operating Rules; and
- (e) that other Clearing Participant has entered into a Client Agreement with the Client which complies with the ASX Clear Operating Rules.

21.2 Authorisations with respect to derivatives contracts

For the purposes of clause 21.1 (a), the Client authorises D2MX in respect of any Derivatives Contract arising out of a transaction in a Derivative Product executed by D2MX to:

- (a) instruct Pershing on behalf of the Client from time to time in its discretion, to allocate a Derivatives Contract to another Clearing Participant (Second Clearing Participant); and
- (b) consent on behalf of the Client to the allocation of that relevant Derivatives Contract to a Second Clearing Participant,

provided that, at the time the instruction and consent are given to Pershing by D2MX, an agreement exists between the Client and the Second Clearing Participant which complies with the ASX Clear Operating Rules (and any other applicable rules or law) and sets out the terms of their relationship in relation to the clearing of transactions in Derivative Products.

21.3 Credit references

The Client agrees that D2MX may make such enquiries as it thinks fit of any person, including the Client's employer, bank or credit agency, relating to the creditworthiness of the Client and disclose the result of those enquiries to Pershing for the purposes of Pershing's risk assessment.

21.4 Confirmations

The Client acknowledges that any confirmation (contract note/daily statement) dispatched electronically to the Client by or on behalf of D2MX is subject to:

- (a) the terms and conditions of this agreement;
- (b) the ASIC Market Integrity Rules, directions, decisions and requirements of ASX and where relevant the ASX Settlement Operating Rules;
- (c) the customs and usages of the Market (as defined in the ASIC Market Integrity Rules); and
- (d) the correction of errors and omissions.

If the Client is a Wholesale Client for the purposes of the ASIC Market Integrity Rules, D2MX may elect not to give any Confirmations to it in relation to Derivatives Transactions executed for it. If D2MX so elects, this agreement is taken to be the notification required to be given by D2MX to the Client under the ASIC Market Integrity Rules.

22. Cancellation of Trades

22.1 Broker authorisation with respect to cancelled transaction

The Client authorises D2MX, and agrees that D2MX may, without the Client's consent, cancel or amend (or request or agree to the cancellation or amendment of) any transaction in Derivative Products or any Derivative Contract to which a confirmation relates:

- (a) if ASX exercises its power under the ASIC Market Integrity Rules to cancel or amend (or require the cancellation or amendment of) that transaction or Derivatives Contract; or
- (b) in the event of an Error (as defined in the ASIC Market Integrity Rules) or otherwise in circumstances contemplated in the ASIC Market Integrity Rules.

22.2 Obligations cease with respect to cancelled transaction

The obligations of D2MX and the Client relating to settlement and clearing of a transaction cease to apply in respect of a cancelled transaction from the time it is cancelled.

23. Governing law

This Agreement is governed by the law in force in New South Wales and the Client and D2MX submit to the non-exclusive jurisdiction of the courts of New South Wales and courts which may hear appeals from those courts.

24. Joint and Several Liability

If the Client constitutes more than one person then each of those persons is jointly and severally bound by this Agreement and D2MX is entitled to act on the instructions of any one of those persons.

25. Privacy

We may collect your personal information from you when we provide services to you under these Terms. We may use any information we collect from you, or such other relevant documents, to

- (a) assess your request for us to provide our services to you;
- (b) provide our services to you in accordance with these Terms; and
- (c) comply with legislative and regulatory requirements including the *Privacy Act 1988* (Cth).

You must notify us when any of the information provided by you changes.

We may disclose personal information to:

- (a) our related bodies corporate, whether in Australia or overseas;
- (b) the Clearing Participant;
- (c) our service providers (including marketing companies, data consultants and IT contractors);
- (d) our agents, contractors, and external advisers;
- (e) government and other regulatory bodies and authorities whether in Australia or overseas;
- (f) payment system operators; and
- (g) other financial institutions and credit providers.

You have a right to access any personal information that we hold about you. Sometimes there may be a reason why access will not be possible. If that is the case, you will be told why. To find out what kinds of personal information we may hold about you, or to request access to any personal information, please contact us.

You agree that your personal information can be used or disclosed by us as contemplated in these Terms. You understand that if you do not provide any information requested by us or do not agree to us using your information as set out in this clause 25, we may not be able to provide our services to you.

You agree that we may make such enquiries as we think fit of any person, including your employer, bank or credit agency, relating to your creditworthiness and disclose the result of those enquiries to the Clearing Participant for the purposes of the Clearing Participant's risk assessment.

We may record any or all incoming and/or outgoing phone calls with you without making a disclosure to you of this nature each and every time you speak with a representative of D2MX. These calls may be recorded without an audible tone. If there is a dispute between us, you have the right to listen to any recording of your conversations. Nothing in these Terms obliges us to keep a recording longer than 90 days.

26. Interpretation

Unless the contrary intention appears:

ASX Clear means ASX Clear Pty Limited ABN 48 001 314 503.

ASX Clear Operating Rules means the operating rules of ASX Clear as amended from time to time.

ASX Operating Rules means the operating rules of ASX Operations Pty Ltd (ABN 42 004 523 782) as amended from time to time

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement as amended from time to time.

ASX means ASX Limited ABN 98 008 624 691.

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

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

Derivatives Contract means a Derivatives Market Contract (as defined in the ASIC Market Integrity Rules) or a Derivatives CCP Contract (as defined in the ASX Clear Operating Rules) or the corresponding contract between D2MX and the Client or D2MX and Pershing, as the context requires.

Derivative Product has the meaning given to it in clause 1.

Derivatives Transaction has the meaning given to Derivatives Market Transaction in the ASIC Market Integrity Rules and where the context requires includes the sale or purchase of Underlying Financial Products following the exercise of a Derivatives Contract.

Other words and phrases defined in the ASIC Market Integrity Rules, the ASX Clear Operating Rules and the ASX Settlement Operating Rules have the meaning given to them in the applicable Rules. A copy of these Rules is available on request.

Words expressed in the singular include the plural and vice versa.

A reference to a document or agreement includes any variation or replacement of it.

Schedule 3 – Warrant client agreement between D2MX and Client

The following terms and conditions apply if the Client is to purchase Warrants. The Client agrees and acknowledges that:

- (a) it has received and read a copy of the Explanatory Booklet issued by ASX in respect of Warrants (“Understanding Trading and Investment Warrants”, available electronically at the following link: <http://www.asx.com.au/documents/resources/UnderstandingWarrants.pdf> or in paper form on request by contacting D2MX);
- (b) a Warrant has a limited life and cannot be traded after its expiry date;
- (c) Warrants do not have standardised Terms of 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;
- (d) Warrants may be subject to adjustments after their initial issue. The Client acknowledges that it is the Client’s responsibility to become aware of any adjustments which may have been made to any Warrant in which the Client chooses to invest;
- (e) admission to Trading Status of a Warrant does not imply that ASX or the Securities Exchanges Guarantee Corporation Limited gives any guarantee or warranty as to the viability of the Warrant-Issuer or Guarantor; and
- (f) failure of the Warrant-Issuer or the Guarantor (if applicable) to fulfil their obligations does not give rise to a claim against ASX, D2MX or the Securities Exchanges Guarantee Corporation Limited.

Words used in this Schedule 3 have the meanings given to them in the ASIC Market Integrity Rules, ASX Operating Rules, ASX Clear Operating Rules or the ASX Settlement Operating Rules. If you require a copy of these definitions please contact D2MX.

If the Client wishes to purchase Derivative Products and/or Warrants, the Client must either sign and return a copy of this agreement (including Schedule 2 and/or Schedule 3 as the case may be) to D2MX or otherwise confirmed in writing to D2MX that the Client agrees to be bound by the terms of this agreement (including Schedule 2 and/or Schedule 3 as the case may be).

Schedule 4 – Partly paid security client agreement between D2MX and Client

The following terms and conditions apply if the Client is to buy Partly Paid Securities. The Client agrees and acknowledges that it is aware that:

- (a) a Partly Paid Security is a security which may require the Client to make a further payment or payments at some time in the future;
- (b) it is the Client's responsibility to obtain and read a copy of the 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 placing an order to buy a Partly Paid Security;
- (c) the Client may be required to make 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 the Client's entitlement to the Partly Paid Security;
- (d) 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 should monitor announcements made by the Issuer of a Partly Paid Security and that it is the Client's responsibility to inform itself of the date/s or circumstances that a further payment falls due and the last day that it can dispose of the Partly Paid Security before it is required to make a further payment;
- (f) 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) 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 D2MX, Pershing, ASX, or the Securities Exchanges Guarantee Corporation Limited.

Words used in this Schedule 4 have the meanings given to them in the ASIC Market Integrity Rules, ASX Operating Rules, ASX Clear Operating Rules of the ASX Settlement Operating Rules. If you require a copy of these definitions please contact D2MX.

If the Client wishes to purchase a Partly Paid Security, the Client must either sign and return a copy of this agreement (including Schedule 4) to D2MX or otherwise confirm in writing to D2MX that the Client agrees to be bound by the terms of this agreement (including Schedule 4).

PART L

Product Disclosure Statement

AFS Licence No. 297950

Date of issue: 12 July 2017

D2MX Pty Ltd (ABN 98 113 959 596)

**Level 36, 50 Bridge Street
Sydney NSW 2000**

A Participant of ASX Group

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The information in this Product Disclosure Statement (**PDS**) does not take into account your personal objectives, financial situation and needs. Before trading in the products referred to in this PDS you should read this PDS and be satisfied that any trading you undertake in relation to those products is appropriate in view of your objectives, financial situation and needs.

We recommend that you consult your financial adviser or obtain other independent advice before trading in exchange traded options or Low Exercise Price Options (LEPOs).

1. Purpose of a PDS

This PDS has been prepared by D2MX Pty Ltd as the broker who is taken to be the issuer of the exchange traded options and low exercise price options. This PDS is designed to assist you in deciding whether the products covered in this PDS are appropriate for your needs. This PDS has been prepared to assist you in comparing it with others you may be considering. The PDS is an important document and we recommend you contact us should you have any questions arising from the PDS prior to entering into any transactions with D2MX.

When we use terms 'we', 'us' or 'our' in this PDS, the reference is to D2MX. If you have any questions in relation to this PDS, please do not hesitate to contact us by telephone 1300 130 545.

2. What products does this PDS cover?

This is a Product Disclosure Statement for exchange traded options which are able to be traded on the financial market operated by ASX Limited ABN 98 008 624 691 (**ASX**) and which are settled and cleared by ASX Clear Pty Limited ABN 48 001 314 503 (**ASX Clear**). It deals with exchange traded equity options and index options (exchange traded options) LEPOs.

Exchange traded equity options are options over quoted shares (or other securities) of a range of different companies listed on ASX.

Exchange traded index options are options over an index such as the S&PTM/ASX 200TM Index.

A list of companies and indices over which exchange traded options are traded can be found on the ASX website http://www.asx.com.au/documents/products/asx_eto_market_making_scheme.pdf.

LEPOs are call options with an exercise price of one cent. LEPOs are leveraged instruments and potential profits and losses can be greater than the money initially outlaid. LEPOs will move in price approximately the same as the underlying share.

3. Introduction

3.1 Exchange Traded Options (ETOs)

ETOs are a versatile financial product which can allow investors to:

- (a) Hedge against fluctuations in their underlying share portfolio;
- (b) Increase the income earned from their portfolio; and
- (c) To profit from speculation.

Their flexibility stems from the ability to both buy and short sell an option contract and undertake multiple positions targeting specific movements in the overall market and individual equities.

The use of ETOs within an investor's overall investment strategy can provide flexibility to take advantage of rising, falling and sideways markets. However, both the purchase and sale of ETOs involves risks which are discussed at length later in the section titled "Significant risks explained".

Specific concepts, which should be practically understood before engaging in an options strategy, are:

- (a) The effect time has on any one position/strategy;
- (b) How volatility changes, both up and down, may change your pay-off diagram for a position;
- (c) How to calculate margins and worst-case scenarios for any position;
- (d) The likelihood of early exercise and the most probable timing of such an event;
- (e) The effect of dividends and capital reconstructions on an options position; and
- (f) Liquidity of an options series, the role of market makers, and the effect this may have on your ability to exit a position.

When buying an ETO the initial outlay of capital may be small relative to the total contract value so that transactions are 'leveraged'. This means that both profits and losses can be magnified. Transactions should only be entered into by investors who understand the nature and extent of their rights, obligations and risks associated with trading ETOs.

When selling an ETO the initial income may seem attractive but the downside may be unlimited. Risk minimisation strategies should be employed to mitigate losses when a position does not move in a favourable manner.

Whilst this PDS provides product information including information about the risks, characteristics and benefits of ETOs, investors should inform themselves and if necessary obtain advice about the specific risks, characteristics and benefits of the exchange traded option they intend to trade and relevant ASX rules.

3.2 Educational booklets

ASX has prepared a number of educational booklets relating to ETOs which are available to you via their website, <http://www.asx.com.au/education/download-brochures.htm>.

In addition to reading this PDS, investors are advised that this PDS references certain of the ASX booklets. The ASX booklets that relate to options include **Understanding Options Trading, Margins, and Understanding Option Strategies** which are available free of charge on the ASX website (<http://www.asx.com.au/education/download-brochures.htm>). These booklets provide useful information regarding options traded on the ASX, including option features, the advantages of options, the risks associated with options, option adjustments, option pricing, margins, taxation and option contract specifications.

The ASX booklet entitled **Understanding Options Trading** is a booklet which we must give you in accordance with the ASX operating rules when you sign our client agreement to trade ETOs. This booklet is also available on line at <http://www.asx.com.au/documents/resources/UnderstandingOptions.pdf>.

If you cannot access the ASX booklets via the ASX website, please contact us immediately and we will arrange to forward copies of the booklets to you at no charge.

D2MX suggests that you read and understand all of the information referred to in this section before you trade in ETO's. Before trading in ETOs through D2MX you are required to read this booklet. If you place an order to buy or sell an ETO through D2MX, you will be taken to have read and understood this document.

If you have any questions on any aspect of the booklets, you should consult your financial advisor before making any investment decisions.

3.3 LEPOs

LEPOs (over equities) are essentially equity options with an exercise price of one cent per underlying share. LEPOs are European style options, in other words, they can only be exercised on the expiry date. The buyer (taker) of a LEPO has the right to buy an agreed number of shares (typically 100 shares per LEPO contract) at a specified future date, in return for the payment of the exercise price (one cent per share). The seller (writer) of a LEPO undertakes to sell the underlying shares at expiry in return for the exercise price. The seller (writer) of a call option is only required to deliver the underlying shares if the buyer (taker) exercises the option. When you enter into a LEPO, you do not pay (or receive) the full amount of the premium upfront. Instead, you pay or receive margins during the life of the LEPO and pay or receive the balance of the premium if and when you exercise the LEPO.

LEPOs are different from standard ETOs in a number of ways:

- LEPOs are only available as call options
- LEPOs are European style options, meaning they are only exercisable on expiry day, while standard equity options are generally American style options exercisable at any time before expiry. Refer to section 4.10 of this PDS for information about automatic exercise
- LEPOs have a very low exercise price and a much higher premium – close to the market value of the underlying share of the LEPO
- LEPOs do not require an amount equal to the full premium to be paid on purchase. Instead the buyer (taker) effectively pays a margin, which represents a small percentage of the value of the underlying shares. In standard equity options, the buyer (taker) pays the premium upfront and the seller (writer) receives the premium upfront
- Both the buyer (taker) and seller (writer) of a LEPO are subject to ongoing margining.

In summary, the premium for a LEPO will generally track the price of the underlying shares, so an investor's profit or loss will generally track movements in the underlying share on a one-for-one basis. Buying a LEPO is similar to a forward purchase of shares, while selling a LEPO is similar to a forward sale of shares. Because of their low exercise price, LEPOs trade for large premiums. The high premium exposure carries a risk similar to that of owning the shares outright, or for sellers (writers), short selling shares.

The ASX booklet entitled LEPOs: Low Exercise Price Options Explanatory Booklet is available on line at <http://www.asx.com.au/documents/resources/UnderstandingLEPOs.pdf>. If you cannot access the ASX booklet via the ASX website, please contact us immediately and we will arrange to forward to you by email a copy of the booklet to you at no charge.

Before trading in LEPOs through D2MX you are required to read this booklet. If you place an order to buy or sell a LEPO through D2MX, you will be taken to have read and understood this document.

3.4 About Us

D2MX PTY LTD
ABN 98 113 959 596
Australian Financial Services Licence Number: 297950
Level 36
50 Bridge Street
Sydney NSW 2000

Phone 1300 130 545
Email: info@d2mx.com.au
Website: www.d2mx.com.au

3.5 How do your orders get executed and settled?

You may only provide instructions to us in accordance with your client agreement with us. That agreement might require that, if you wish to provide us with instructions, you must do so only through an intermediary with whom we have entered an arrangement under which that person may place orders with us on behalf of clients in relation to ASX transactions (Licensee). That agreement might permit you to provide instructions to us directly (such as through a DMA Service) or through the relevant Licensee.

When placing the order D2MX will need:

- (a) Your account number;
- (b) Details of the person giving the order;
- (c) Details of the stock to be dealt in;
- (d) The series, specifying both the expiry day and the strike price (and if long dated the year); and
- (e) Whether the order is to buy or sell.

Once the order is executed, at the end of the trading day the order will be cleared by our third party clearing participant, Pershing Securities Australia Pty Ltd ABN 60 136 184 962 AFS Licence No. 338264 (Pershing). Pershing will make the appropriate adjustments to your cash, and holding positions, including brokerage for the transaction.

4. What are exchange traded option & LEPO contracts

ETOs may be American or European style exercise. Most ASX options are American style which means they are tradeable and can be exercised at any time prior to the expiry day. European options, which include index options, are also tradeable but can only be exercised on the expiry day and not before.

LEPOs are European style only, which means they can only be exercised on the expiry date and not before. Further detail can be found at www.asx.com.au/documents/resources/UnderstandingLEPOs.pdf.

An ETO or a LEPO is a contract between two parties which gives the buyer (the taker) the right, but not the obligation, to buy or sell the securities underlying the option at a specified price (exercise price) on, or before a predetermined date. To acquire this right, the taker pays a premium to the writer (the seller) of the contract. When considering options over an index, the same concepts generally apply.

The taker will always pay the writer a price (the premium) to enter the ETO or LEPO. The writer receives and keeps the premium but has the obligation to buy from or sell to the taker the underlying securities at the exercise price if the taker exercises the option.

The premium is not a standardised feature of the ETO contract or LEPO and is established between the taker and writer at the time of the trade.

ETO or LEPO sellers are referred to as 'writers' because they underwrite (or willingly accept) the exercise risk of the contract. Similarly, buyers are referred to as 'takers' of an ETO or LEPO as they take up the right to buy or sell a parcel of securities. Every ETO or LEPO contract has both a taker and a writer.

There are two types of ETOs, namely call options and put options. All option positions consist of one or more of a bought call, a sold call, a bought put, or a sold put. A long (or bought) option position is created by the purchase of a call or put. A short (or sold) position is created by the sale of a call or put. By combining two or more of these basic positions, an investor can create a trading strategy that meets a range of investment objectives, including the protection of an existing portfolio of securities. For more information on possible trading strategies we refer you to the ASX Booklet entitled 'Understanding Options Strategies' available on the ASX website at <http://www.asx.com.au/documents/resources/UnderstandingStrategies.pdf>.

Call options give the taker the right, but not the obligation, to buy a standard quantity of underlying securities at a predetermined price on or before a predetermined date. If the taker exercises their right to buy, the seller (writer) is required to sell a standard quantity of securities at the predetermined exercise price.

Put options give the taker the right, but not the obligation to sell a standard quantity of underlying securities at a predetermined price on or before a predetermined date. If the taker exercises their right to buy, the seller (writer) is required to buy a standard quantity of securities at the predetermined exercise price. The premium is the price of the option agreed to by the buyer and seller through the market.

The taker will always pay the writer a price (called the premium) to enter into the option contract. The writer receives and keeps the premium but has the obligation to buy from or deliver to the taker the underlying securities at the exercise price if the taker exercises the option.

4.1 Deliverable or cash settled

ETOs and LEPOs are either deliverable or cash settled. Most exchange traded equity options and LEPOs are deliverable, that is with physical delivery of the underlying security, whilst index options are cash settled. Cash settlement occurs in accordance with the rules of ASX Clear against the Opening Index Price Calculation (**OPIC**) as calculated on the expiry date.

4.2 Standardised Contracts

ETOs and LEPOs are created by the exchange on which the underlying equity or index is listed. D2MX trades ETOs in relation to entities and indices listed on the ASX. The ASX website provides a list of entities and indices over which ETOs are traded; these can be found at http://www.asx.com.au/documents/products/asx_eto_market_making_scheme.pdf.

ASX determines the key contract specifications for each series of ETOs or LEPOs listed, including:

- (a) The underlying security or underlying index;
- (b) The contract size, that is, the number of units of the underlying security. The contract size is usually 100 shares per contract for equity ETOs and LEPOs
- (c) The exercise price (or strike price), which is the specified price at which the taker (buyer) of an equity option can buy or sell the underlying securities. ASX sets the range of exercise prices at specific intervals according to the value of the underlying securities. It is important to note that the exercise price of an equity option may change during the life of an option if the underlying security is subject to a bonus or rights issue or other form of capital reconstruction or in some cases a special dividend or distribution. The number of underlying securities may also be subject to an adjustment; and
- (d) The expiry date.

ASX may in accordance with its operating rules make an adjustment to any of the above specifications if the listed entity over which the option relates makes a pro-rata change to its ordinary capital structure (e.g. Bonus issues or special dividends or distributions are to be paid). If ASX does make an adjustment it will endeavour to preserve the open positions of takers and writers at the time of the adjustment as best as possible. ASX has issued an Explanatory Guide for Option Adjustments which can be found at http://www.asx.com.au/documents/resources/explanatory_note_option_adjustments.pdf which provides further information regarding ASX option adjustments.

Full details of all ETOs and LEPOs listed on ASX and expiry date information can be found on the ASX website at <http://www.asx.com.au/products/equity-options/about-options.htm>. A list of current option codes and delayed price information is available on the ASX website at <http://www.asx.com.au/products/equity-options/about-options.htm>

Details of contract specifications for ETOs and LEPOs are published by the ASX on their website at <http://www.asx.com.au/products/equity-options/options-contract-specifications.htm>. The contract specifications detail the key standardized features of ETOs and index options traded on ASX.

4.3 Premium

The premium (price of the option) is not set by ASX but is negotiated between the buyer and seller of the ETO or LEPO through the market. The premium for an equity option is quoted on a cents per security basis so the dollar value payment is calculated by multiplying the premium amount by the correct multiplier for that particular series (i.e. the number of underlying securities in the contract which is usually 100). For example, if you buy 10 call option contracts with a premium quoted at 50c per security, the total premium is \$500.00 (being $0.50 \times 100 \times 10$). The premium for an index option is calculated by multiplying the premium by the index multiplier. For example, a premium of 50 points, with an index multiplier of \$10, represents a total premium cost of \$500 per contract.

Option premium will fluctuate during the option's life depending on a range of factors including the exercise price, the price of the underlying securities or the level of the index, the volatility of the underlying securities or the underlying index, the time remaining to expiry date, interest rates, dividends, distributions and general risks applicable to markets.

Most option pricing involves the use of a mathematical formula, which includes calculating the intrinsic and time value of the particular option. You should refer to the section entitled 'Option pricing fundamentals' in the ASX Booklet Understanding Option Trading for more information regarding the fundamentals of pricing options. ASX also provides a pricing calculator on the ASX website, www.asx.com.au.

4.4 No Dividends or Entitlements

ETOs and LEPOs do not entitle investors to dividends or other distributions or entitlements paid or provided by the issuer of the underlying securities, unless the investor exercises the option to become the holder of the underlying securities at or before the relevant date for dividend, distribution or entitlement purposes.

4.5 Opening/Buying/Taking an ETO or LEPO position

The establishment of a contract is referred to as opening a position. Once the taker of an ETO or LEPO has an open position, they have three alternatives:

- (a) The taker can exercise the ETO or LEPO;
- (b) The taker can hold the ETO or LEPO to expiry and allow it to lapse; or
- (c) The taker can close out their position by selling the same ETO or LEPO. Note: at this point the open position will be closed out.

4.6 Opening/selling/Writing an ETO or LEPO

Once the seller or writer of an ETO or LEPO has an open position, they have two alternatives:

- (a) Let the ETO or LEPO go to expiry and risk being exercised against (if it is not exercised against, it will expire without any further obligation or liability on the writer); or
- (b) Close out the ETO or LEPO by buying the ETO or LEPO back before it has been exercised.

4.7 Closing out of option contracts

An option position may be 'closed out' by placing an order equal and opposite in effect to the open position to be closed. If you have a bought/long position you would sell it, if you have a sold/short position you would buy it back. This effectively cancels out the open position. An investor would close out an ETO or LEPO contract:

- (a) When there is a risk of unwanted early exercise
- (b) To take a profit; or
- (c) To limit a loss.

It is important that you advise us if you are seeking to close out an existing open position when placing your order. Closing out can be achieved without reference to the original party to the trade because of the process of novation. ASX Clear is able to substitute a new buyer as the contract party when an existing taker sells to close their position. The process of novation is discussed in more detail below in the section entitled 'Trading and clearing ETOs and LEPOs'.

Note: D2MX will set all accounts to automatic exercise. This is discussed further below.

4.8 Expiry

Options have a limited life span and expire on standard expiry days set by ASX Clear. The expiry day is the day on which all unexercised options in a particular series expire and is the last day of trading for that particular series. For options over shares this is usually the Thursday before the last Friday in the month. For index options, expiry is usually the third Thursday of the contract month. ASX also list weekly index options which offer expiry dates that occur each week of each month. However, ASX Clear has the right to change this date should the need arise. As options expire new expiry dates are added further out. All option classes (stock or index) with a monthly expiry have expiries based on the financial quarters (March, June, September and December). For example, a June expiry means that the option expires on the expiry day in June. If Thursday or Friday are not business days, the expiry day is brought forward to the next business day. A full list of all options series available for trading is available on the ASX website, <http://www.asx.com.au/products/equity-options/about-options.htm> in the csv file 'Listed ETO code list' in the 'Related information' section. This list is updated daily.

You can find a useful expiry calendar and option listing guidelines on the ASX website at <http://www.asx.com.au/products/equity-options/about-options.htm>.

4.9 Exercise

ETO or LEPO takers make the decision to exercise the ETO option or LEPO contract. This means that a writer of an American equity option may be exercised against at any time prior to expiry. ASX Clear will 'randomly' allocate a writer for every exercised position. This means that if the taker wants to exercise the options and either buy or sell (depending on whether it is a call or a put) at the predetermined price then ASX randomly allocates a writer of that option and allocates the exercise against them. The writer must then accept the securities at a predetermined price for a call or sell the securities at the predetermined price for a put. The taker of an ETO or LEPO will generally only exercise for a profit and therefore the exercise may result in a loss to the writer of the ETO or LEPO, depending on their initial costs. Once a writer has been allocated, the writer has lost the opportunity to close out their position and must affect the delivery or cash settlement obligations for the particular equity option contract.

4.10 Automatic exercise by D2MX

D2MX will automatically exercise any open ETO or LEPO contract taken or bought by you if your contract is in the money at expiration of the contract. For call options the option will be in the money where the exercise price is below the price of the underlying securities at expiration of the call option. For put options the option will be in the money where the exercise price is higher than the price of the underlying securities at expiration of the put option. All unexercised option contracts will expire on the expiry date.

4.11 Settlement

Payment for, and the delivery of underlying securities, on exercise of an open ETO contract occurs via the ASX's Clearing House Electronic Sub register System (CHES) on T+2 from date of exercise. D2MX's clearer, Pershing, is obliged to make payment to ASX within this timeframe (i.e. within two business days). For cash settled index options, a cash settlement amount calculated having regard to the opening price index calculation on expiry day is paid to exercising takers on the day following the expiry date. The level used for settling index options is determined by a special formula. If you intend investing in the index options you should take the time to understand these arrangements. For more information on settlement of index options see the ASX Booklet Understanding Options Trading section on 'Trading index options'.

Note: if you exercise a LEPO you are required to pay the full purchase price the following day.

D2MX requires that you settle at T+1 (that is within 24 hours from the time the trade occurred) for all cash positions which arise from premiums, interest, and other cash financial transactions. This requirement is reflected in the terms of our client agreement with you. You are required to pay the margin amounts we call from you within 24 hours of being advised of the margin amount by us. Please see the discussion on margins below.

5. Significant benefits of exchange traded options and LEPOs

ETOs and LEPOs confer a number of benefits which include:

- (a) Risk management where investors can **hedge** (protect) their portfolio from a drop in value. Put options allow investors holding securities to hedge against a fall in price;
- (b) Shareholders can **earn income** by writing call options over securities they already hold. As a writer of options, the investor will receive the premium amount up front. The risk is that the writer may be exercised against and be required to deliver their securities to the taker at the exercise price;
- (c) By taking a call option, the purchase price for the underlying security is locked in. This gives the call option holder **time to decide** whether or not to exercise the option and buy the securities. The holder has until the expiry date to make their decision. Likewise the taker of a put option has time to decide whether or not to sell the securities;
- (d) ETOs and LEPOs benefit from standardisation and registration with a clearing and settlement facility which reduces **counterparty default risk**. This process provides the benefit that the client's position can be closed out without reference to the original counterparty and the client's risk to that counterparty is transferred to ASX Clear;
- (e) **Speculation** where the flexibility of entering and exiting the market prior to expiry permits an investor to take a view on market movements and trade accordingly. In addition the variety of ETO or LEPO combinations allows investors to develop strategies regardless of the direction of the market;
- (f) ETOs and LEPOs do not require a rising market to make money, rather investors can **profit from both rising, falling** and sideways markets depending on the strategy they have employed. Strategies may be complex and strategies will have different levels of risk associated with each strategy;
- (g) The initial outlay for an ETO or LEPO contract is not as much as investing directly in the underlying securities. Trading in ETOs or LEPOs can allow investors to benefit from a change in the price of the security without having to pay the full price of the security. An investor can therefore purchase an ETO or LEPO (representing a larger number of underlying securities) for less outlay and still benefit from a price move in the underlying securities. The ability to make a higher return for a smaller initial outlay is called leverage. Investors however, need to understand that **leverage** can also produce increased risks (see below);

- (h) Given the lower initial outlay attached to ETOs or LEPOs, investors can **diversify their portfolios and gain a broad market exposure** over a range of securities or the index itself.

6. Significant risks explained

The risk of loss in trading in ETOs and LEPOs can be substantial. It is important that you carefully consider whether trading ETOs or LEPOs is appropriate for you in light of your investment objectives and financial circumstances.

You should only trade ETOs and LEPOs if you understand the nature of the products and the extent of your exposures to risks. The risks attached to investing in ETOs and LEPOs will vary in degree depending on the option traded (see the risks outlined below).

The PDS does not cover every aspect of risk associated with ETOs and LEPOs. For further information concerning risks associated with ETO trading you are referred to the ASX booklet **Understanding Options Trading** and in particular the section entitled 'Risks of option trading' (the booklet can be found on the ASX website at www.asx.com.au/documents/resources/UnderstandingOptions.pdf).

ETOs and LEPOs are not suitable for some retail investors. For example investors who have a low risk tolerance should not enter into ETO or LEPO trades which have the potential for unlimited losses. In deciding whether or not you should trade ETO or LEPO contracts, you should be aware of the following matters relating to risk:

- (a) The **high level of leverage** that is obtainable in trading ETOs and LEPOs (due to the low level of initial capital outlay) can work against an investor. Depending on the market movement, the use of leverage may lead to large losses;
- (b) ETOs and LEPOs have a **limited life span** as their value erodes as the option reaches its expiry date. It is therefore important to ensure that the ETO or LEPO selected meets the investor's investment objectives;
- (c) ETOs and LEPOs are subject to movements in the **underlying market**. ETOs and LEPOs may fall in price or become worthless at or before expiry;
- (d) The **maximum loss in taking** (buying) an ETO is the amount of premium paid. If the option expires worthless, the taker will lose the total value paid for the option (the premium) plus transaction costs.
- (e) Whilst writers (sellers) of options earn premium income, they may also incur **unlimited losses** if the market moves against the option position. The premium received by the writer is a fixed amount; however, the writer may incur losses greater than that amount. For example, the writer of a call option has increased risk where the market rises and the writer does not own the underlying securities. If the option is exercised, the writer of the option is forced to buy the underlying securities at the current (higher) market price in order to deliver them to the taker at the exercise price. Similarly, where the market falls, the writer of a put option that is exercised is forced to buy the underlying securities from the taker at a price well above the current market price;
- (f) Writers of ETOs and LEPOs could sustain a total **loss of margin funds** deposited with their broker where the market moves against the option position. In addition, the writer may be obliged to pay additional margin funds (which may be substantial and potentially unlimited) to maintain the ETO or LEPO position or upon settlement of the contract. Margins are discussed below;
- (g) Under certain conditions, it could become difficult or impossible to **close out** a position. This can happen for example where there is a significant change in price over a short time period;
- (h) ASX and ASX Clear, have discretionary powers in relation to the market. They have power to **suspend the market operation**, or lift market suspension in ETOs or LEPOs while the underlying securities are in trading halt if the circumstances are appropriate, restrict exercise, terminate an ETO or LEPO position or substitute another underlying security (or securities), impose position limits or exercise limits or terminate contracts, all to ensure fair and orderly markets are maintained as far as practicable. These actions can affect an investor's ETO or LEPO positions;
- (i) The placing of **risk minimisation orders** may not always limit an investor's losses to the amounts that are expected. Market conditions may make it impossible for a broker to execute the risk minimisation orders. Strategies using combinations such as 'spreads' or 'straddles' may be as risky as taking a simple 'long' or 'short' position.
- (j) Trades affected on ASX may be subject to **dispute**. When a trade is subject to a dispute, ASX has powers, in accordance with its rules, to request that a broker amend or cancel a trade, which will in turn result in the contract with the client being amended or cancelled. Any change or amendment to the beneficial ownership of the security can have Capital Gains tax implications;
- (k) D2MX has the ability to amend or **cancel the trade** as stated in our Terms of Trading. This could cause you to suffer loss or increase your loss and could have Capital Gains Tax implications. A trade executed on behalf of a client can also be amended or cancelled if requested by the client even where the trade has been confirmed to the client. In addition ASX has the power to cancel, amend or require the cancellation of amendment of transactions. This power can be exercised without your permission or D2MX's agreement;

- (l) Trades affected on ASX are traded on an electronic trading platform and cleared through ASX Clear. As with all such electronic platforms and systems, they are subject to failure or **temporary disruption**. If the system fails or is interrupted, we will have difficulties in executing all or part of your order according to your instructions. An investor's ability to recover certain losses in these circumstances will be limited given the limits of liability imposed by ASX and ASX Clear;
- (m) If you fail to pay an amount due from a transaction in accordance with the ASX Market Rules, you agree that D2MX has the right to sell any or all of your securities in addition to the securities which are the subject of the defaulting contract in order to offset any debt owed to D2MX.

This PDS does not cover every aspect of risk associated with options. For further information concerning risks associated with options trading you are referred to the ASX booklet **Understanding Options Trading** and in particular the section entitled 'Risks of option trading' (the booklet can be found on the ASX website at <http://www.asx.com.au/documents/resources/UnderstandingOptions.pdf>).

We recommend that you consult your financial adviser or obtain other independent advice before trading in ETOs or LEPOs.

7. Fees and other costs

The exact cost of your transaction will be disclosed on your Confirmation but will consist of the charges discussed below. There may also be certain amounts that are (or may become) payable in respect of options which are discussed below.

Some fees that we charge may be tax deductible. You must confirm this with your own Tax Adviser or Accountant in relation to your specific situation.

7. Contract fees

ASX charge a fee of \$0.13 plus \$0.013 GST (or \$0.143 including GST) per contract. These fees apply to buying and selling; opening or closing.

7.2 Exercise fees

ASX levies \$0.05 plus \$0.005 GST (or \$0.055 including GST) for every contract that is exercised.

7.3 Index Options

In the case of index options, ASX charges \$0.45 plus \$0.045 GST (or \$0.495 including GST) per contract including GST, for both the transaction and the exercise fee.

7.4 Brokerage

If you wish to trade ETOs or LEPOs through us, you will need to become a client of an intermediary (Licensee) with whom we have entered into an arrangement under which the Licensee may place orders with us on behalf of clients.

We do not charge you fees for the services that we may provide to you. Instead, the relevant Licensee may charge you fees in respect of those transactions executed by D2MX on your behalf. However, the Licensee (not D2MX) determines the amount and structure of any such fees. The information concerning the fees which the Licensee may charge can be obtained directly from the relevant Licensee.

D2MX will charge the relevant Licensee a fee for those transactions executed through the ASX by D2MX on your behalf (Execution Fee). In addition to the Execution Fee, D2MX may also charge a range of fees to the Licensee including a fixed monthly fee, a fee per trade, a fee per service and other fees.

The impact of transaction costs on profitability is often greater for options transactions than for transactions in the underlying interests because these costs are often greater in relation to option premiums than in relation to the prices of underlying interests. Transaction costs are especially significant in option strategies calling for multiple purchases and sales of options such as spreads and straddles. Investors should always discuss transaction costs with their financial advisor before engaging in options transactions.

7.5 Margins

The Clearing House (ASX Clear) will call amounts of money known as 'margin' from a Clearing Firm as cover. Margins are generally a feature of all exchange traded derivative products and are designed to protect the Clearing House against default. A margin is the amount calculated by the Clearing House as necessary to cover the risk of financial loss on an ETO contract due to an adverse market movement.

The seller (writer) of an ETO will ordinarily be required to pay margin in respect of that contract or provide collateral acceptable to the Clearing House. That is because the Clearing House is exposed to the risk that the seller (writer) will not perform their obligations if and when the option is exercised.

Margin requirements for option writers are complex. Margin requirements are subject to change, and may vary from time to time, at the discretion of the Clearing House. Margin requirements can have an important effect on an option writer's risks and opportunities.

7.5.1 Margins for ETOs

ASX Clear calculates margins daily using a margin calculation engine called Standard Portfolio Analysis of Risk (SPAN). The total margin for ETOs is made up of two components:

1. The premium margin, which is the market value of the particular position at the close of business each day. It represents the amount that would be required to close out your position;
2. The SPAN requirement contains further margin charges and margin concessions. The SPAN requirement uses the following:
 - The Scan Risk – the basic evaluation of risk replicating how positions will gain or lose under particular combinations of price and volatility movements. Scan risk uses price and volatility scan ranges.
 - The Intracommodity Spread Charge – risk levels related to particular patterns of calendar spreading.
 - Delivery Risk – risk related to positions in physically deliverable products as they approach or enter their delivery period.
 - The Intercommodity Spread Credit – reductions to risk associated with risk offsets between associated products.
 - Short Option Minimum – an evaluation of the irreducible minimum risk related to portfolios.

If you have a number of option positions open, the margin calculation engine will evaluate the risk associated with your entire options portfolio and calculate your total margin obligation accordingly. It is possible that some option positions may offset others, leading to a reduction in your overall obligation.

Amounts of margin are determined daily by ASX Clear, following the close of trading each day. In times of high volatility an intraday margin call may be made by ASX Clear.

We are entitled to call (and may at any time call) for additional margin from you, compared to the amount that is obliged to be paid to ASX Clear – we do this as a risk management tool.

ASX Clear margin obligations may be met by paying cash or by providing certain types of eligible collateral (e.g. securities and bank guarantees). ASX Clear generally discounts the value of such collateral deposited with it to 70% of its full value as a risk management tool. This means that if the securities used by you as collateral have a market value of \$10,000, only \$7,000 will be counted as collateral cover for your margin obligations.

You must pay margin within 24 hours of you being advised of the margin call by us. The margining process used by ASX Clear is explained in detail in the ASX booklet **Understanding Margins** which is available on the ASX website at www.asx.com.au/documents/resources/Understanding_Margins.pdf

7.5.2 How ASX Clear calculates LEPO margins

To understand the margining process for Low Exercise Price Options (LEPOs) you should first read the LEPO Explanatory Booklet which sets out the features and benefits of LEPOs. This booklet can be downloaded from the ASX website at www.asx.com.au

Unlike ordinary exchange traded options, where only the writer is margined, with LEPOs both the taker and the writer are margined. This is because the taker of a LEPO does not pay the writer the full premium upfront. As such, the taker is margined as they have an obligation to pay the premium.

7.6 Late settlement or margin payments

Any interest levied on late settlement and margin payments is due and receivable at the time the amount is levied and certainly within 1 business day of a demand being made by D2MX.

8. Other significant characteristics of exchange traded option contracts and LEPOs

8.1 Trading and clearing ETOs and LEPOs

ETOs and LEPOs are traded on ASX's trading platform and cleared through ASX Clear. Participants of ASX must comply with the market rules of the ASX. Participants who clear ETO or LEPO contracts must comply with the clearing rules of ASX Clear.

ASX Clear stands between the buying and selling brokers (the ASX participants) and guarantees the performance to each of them. This process is known as 'novation'. Importantly ASX Clear does not have an obligation to you, the underlying client. The rules of ASX Clear govern arrangements once a deliverable exchange traded option has been exercised.

8.2 Client Trust Accounts and Collateral

In order for us to trade an ETO or LEPO contract for you, we require you to provide us with money or securities to enable us to manage the risks associated with our dealings for you in those options. Client money and securities paid or given by you in connection with our advising or dealing in the options must be held by us on trust in accordance with the Corporations Act and the ASX rules.

Money is held on trust for you in a trust account. However, this does not apply to money paid to reimburse us for payments we have had to make to ASX Clear (generally margin calls) in respect of dealings for you. The Corporations Act provides that money held in the trust account can be used for specific purposes such as meeting margin obligations, guaranteeing, securing, transferring, adjusting or settling dealings in derivatives.

D2MX may retain the interest (if any) earned on any moneys held for you in its trust account.

CHESS securities (held by you) may be lodged in your name with ASX Clear as collateral for margin obligations relating to ETO or LEPO trades. When CHESS securities are lodged with ASX Clear, the securities are held by ASX Clear as 'third party security'. The lodged securities cannot be used by us in relation to our dealings or for our other clients in relation to their dealings unless authorised by you as Third Party Collateral. Securities in a client's superannuation fund cannot be used as Third Party Collateral for any other account.

8.3 National Guarantee Fund

Except in limited the circumstances National Guarantee Fund (NGF) protection does not apply to dealings in ETOs or LEPOs. The NGF provides investors trading in ETOs or LEPOs with protection in the following circumstances.

- (a) If an option is exercised, the NGF guarantees completion of the resulting trade in certain circumstances; and
- (b) If you have entrusted property to D2MX or Pershing in the course of dealing in options, and D2MX or Pershing later becomes insolvent, you may be able to claim on the NGF, in accordance with the rules governing the operation of the NGF, for any property which has not been returned to you or has not otherwise been dealt with in accordance with D2MX's or Pershing's obligations to you. There are limits on claims to the NGF for property entrusted.

For more information on the possible protections offered by the NGF see <http://www.segc.com.au> .

9. Dispute resolution system

If you have any concerns or comments about the financial service or financial products provided to you, you should take the following steps:

- (a) Send your complaint in writing to the Compliance Manager at D2MX, PO Box 274, Collins Street West, Melbourne VIC 8007;
- (b) If you have not received a satisfactory response or 45 days have elapsed you may refer the matter to Financial Ombudsman Service (**FOS**). D2MX is a member of the FOS. FOS can be contacted on 1300 78 08 08 or GPO Box 3, Melbourne VIC 3001. This service is provided to you free of charge;
- (c) You may also choose to refer the matter to ASX.
- (d) Alternatively, you may refer the matter to the Australian Securities and Investments Commission (**ASIC**). ASIC may be contacted on their freecall Infoline on 1300 300 630.

If you require further information on how complaint are handled by D2MX please refer to our Financial Services Guide.

10. Significant taxation implications

You should consult your own taxation adviser before making any decisions to trade in ETOs or LEPOs. For further information on the taxation treatment of options you are referred to the article Income Tax Treatment of Exchange Traded Options at http://www.asx.com.au/documents/products/taxation_of_exchange_traded_options_may_2011.pdf .

The taxation consequences of trading in ETOs and LEPOs are complex and will depend on your individual circumstances. It is therefore important that you ascertain whether you are a trader, a speculator or a hedger as the tax treatments for each may differ as discussed below. Given we are not a taxation adviser you should discuss any taxation issues with our tax adviser before entering or disposing of an ETO or LEPO. You should be aware that there might be capital gains tax consequences. You should seek appropriate independent advice in this regard.

This PDS does not cover every aspect of taxation as it relates to ETOs or LEPOs. The information below acts as a summary of significant taxation considerations that should be considered by you before investing in ETOs or LEPOs. Accordingly, you are recommended to seek professional tax advice before entering into or disposing of an ETO or LEPO.

Some fees that we charge may be tax deductible. You must confirm this with your own Tax Adviser or Accountant in relation to your specific situation.

10.1 Implications for Australian Resident Investors Revenue Account

Writer of the Option

Where a writer of an option writes an option in the ordinary course of business or the option has been written over an underlying revenue asset, the option will be treated as being on revenue account.

The premium received by the writer of the option will be assessable on a due and receivable basis. Where any premium is credited to the writer's Clearing House account the amount will still be assessable on this basis.

Any subsequent margin calls will not be deductible when they are deposited by the writer into their Clearing House account. These margins will merely reduce any net position of the writer upon the close out, settlement or exercise of the option by the taker.

Where interest is received by the writer on the margins held in their Clearing House account, this is required to be included in the writer's assessable income.

Taker of the Option

A taker will generally hold an option on revenue account when it is held or traded in the ordinary course of business, or the option is used to hedge an underlying revenue asset.

Where this is the case, any premium paid by the taker is generally regarded as being deductible on a due and payable basis. This will generally be at the time the option is entered into. Where an option on revenue account lapses, there are no further tax implications. However, where an option on revenue account is exercised, the option strike price will form part of the acquisition cost or disposal proceeds for the underlying asset in question.

Alternatively, where the option is closed-out prior to its expiration, any gain or loss on the option position will be treated as assessable or deductible as the case may be.

10.2 Capital Account

Writer of the Option

Where a writer writes an option over an underlying capital transaction, the option will be held on capital account. Consequently, any income tax implications will be determined in accordance with the Capital Gains Tax (CGT) provisions.

The premium received by the writer of the option will give rise to an assessable capital gain on a received or a receivable basis. Where any premium is credited to the writer's Clearing House account the amount will still be assessable on this basis.

Any subsequent margin calls will merely reduce any net position of the writer upon the close-out, settlement or exercise of the option by the taker.

Where interest is received by the writer on the margins held in their Clearing House account, this is required to be included in the writer's assessable income.

Exercise of a Call Option

Where a call option is exercised, the option premium and the proceeds on the sale of the underlying asset should be treated as a single transaction. Accordingly, both the premium and the proceeds received will form part of the writer's capital proceeds for CGT purposes.

This may have practical implications for writers of options where the premium and sale proceeds are received in different financial years.

Exercise of a Put Option

Where a put option is exercised, the option premium paid and exercise price will form part of the cost base of the underlying asset for the investor. Accordingly, both the premium and the strike price paid will form part of the writer's cost base of the underlying asset for CGT purposes.

This may have practical implications for writers of the options where the premium is received in a different financial year to the payment of the strike price and acquisition of the underlying capital asset.

Taker of the Option

A taker will generally hold an option on capital account where an underlying capital transaction is being hedged. Consequently, any income tax implications will be determined in accordance with the CGT provisions.

At the time the premium is paid, there are no taxation consequences for the taker in respect of any premium paid for options which are held on capital account.

Where an option on capital account lapses, the taker will realise a capital loss at this time equal to the amount of the premium paid.

When an option is settled or closed-out, the taker will realise a capital gain or loss depending on the amount paid (being the premium plus any incidental costs) for the option and the amount received on settlement.

Exercising a Call Option

Where a call option is exercised, the option premium and exercise price will form part of the cost base of the underlying asset for the taker.

Exercising a Put Option

Where a put option is exercised, the taker will generally deduct the option price from the proceeds received on the disposal of the underlying asset.

11. Goods and services tax

The purchase and disposal of options over securities and the share price index by investors is not subject to GST.

12. LEPOs and cash settled ETOs

For LEPOs and cash settled ETOs, the net profits approach may be regarded as the preferred tax method.

See http://www.asx.com.au/documents/products/taxation_of_exchange_traded_options_may_2011.pdf for further discussion.

PART M

D2MX

Financial Services Guide

AFS Licence No. 297950

Date: 5 December 2016

ABN 98 113 959 596

**Level 36, AMP Centre,
50 Bridge Street,
SYDNEY NSW 2000**

A Participant of ASX Group

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I. Glossary of terms

AFS Licence means an Australian financial services licence issued under the Corporations Act.

ASIC means Australian Securities and Investment Commission.

ASX means ASX Limited.

Corporations Act means Corporations Act 2001 (Cth).

D2MX means D2MX Pty Ltd ABN 98 113 959 596, AFS Licence No. 297950.

DMA Service means Direct Market Access Service.

FSG means Financial Services Guide.

Licensee means the intermediary that holds an AFS Licence with whom we have entered into an arrangement under which the Licensee may place orders with us on behalf of clients in relation to ASX transactions (or allow the client to place such orders directly with us).

Pershing means Pershing Securities Australia Pty Ltd ABN 60 136 184 962 AFS Licence No. 338264.

Relevant Licensee means the Licensee with whom you have entered into an arrangement under which the Licensee will place orders with us on your behalf in relation to ASX transactions (or allow you to place such orders directly with us).

We, us or our means D2MX.

2. Purpose and content of this Financial Services Guide

This Financial Services Guide (**FSG**) is an important document. You should read it carefully and make sure you understand it.

As the holder of an Australian financial services licence, D2MX (**D2MX, we or us**) is required to provide you with this FSG.

This FSG is provided by D2MX and its representatives where Representative Profiles are attached.

The FSG is made up of a number of equally important parts. Each of these parts is listed on the contents page and is intended to inform you of certain basic matters before we provide you with a financial service. This FSG was prepared to provide D2MX clients who are retail clients information about the financial services provided by us.

The information set out in this FSG includes information about:

- (a) Who we are;
- (b) What services we provide;
- (c) The remuneration that may be paid to us and other relevant persons in relation to the services we offer;
- (d) What relationships and associations we have;
- (e) How complaints against us are dealt with.

This FSG is designed to assist you in deciding whether to use the services we provide which are described below.

3. Statements of Advice and Product Disclosure Statements

D2MX is authorised to provide personal financial product advice to clients but will only do so in limited circumstances and will issue separate terms and FSG for personal advice. Accordingly, we will only provide general financial product advice to you and will not take into account your "objectives, financial situation and needs" (**Objectives**) (as defined by the Corporations Act and ASIC) and therefore this FSG been prepared without taking into account those Objectives. Subsequently, you will not receive a Statement of Advice from us. You should contact your financial adviser if you require any financial product advice. D2MX has no responsibility for any financial product advice provided by any other person to you.

If we provide you with services that involve issuing or arranging to issue a financial product, such as exchange trade options (**ETOs**) securities or foreign exchange, you will be provided with a Product Disclosure Statement (**PDS**). The PDS will contain information that might reasonably be expected to have a material influence on your decision whether or not to acquire the financial product. This will include information regarding the benefits and risks associated with the product and other significant features of the terms and conditions attaching to the product.

4. Who is D2MX?

D2MX Pty Ltd, ABN 98 113 959 596, is a Trading Participant of ASX. D2MX holds an Australian Financial Services Licence (**AFS Licence**) (No. 297950) under which it is authorised to:

- 1) provide financial product advice for the following classes of financial products:
 - (a) Basic and non-basic deposit products;
 - (b) Derivatives;
 - (c) Government debentures, stocks and bonds;
 - (d) Interests in managed investment schemes including investor directed portfolio services;
 - (e) Securities; and
 - (f) standard margin lending; and
- 2) provide general financial product advice in relation to foreign exchange contracts; and
- 3) to deal in a financial product by:
 - (a) issuing, applying for, acquiring, varying or disposing of derivatives, foreign exchange and securities financial products; and;
 - (b) applying for, acquiring, varying or disposing of the following classes of financial products
 - a) Basic and non-basic deposit products;
 - b) Derivatives;
 - c) Foreign exchange contracts;
 - d) Government debentures, stocks and bonds;
 - e) Interests in managed investment schemes including investor directed portfolio services;
 - f) Securities; and
 - g) standard margin lending.

D2MX is a wholly owned subsidiary of Sequoia Financial Group Ltd (SEQ), a company listed on ASX (ASX:SEQ).

5. How we can be contacted

Address: D2MX
Level 36
50 Bridge Street
Sydney NSW 2000

Telephone: 1300 130 545

Email: info@d2mx.com.au

6. The services we offer

D2MX provides to retail clients a general advice and execution only service under which D2MX:

- (a) executes orders on ASX to buy and sell traded products (such as shares, options and warrants quoted on ASX); and
- (b) executes orders on ASX to buy, sell, close out and exercise Derivatives (such as Exchange Traded Options and LEPOs);
- (c) undertakes other dealings in financial products.

Settlement and clearing of transactions executed by D2MX through ASX is undertaken by Pershing, a leading provider of third party clearing services to the Australian market.

We do not issue margin lending facilities, but can assist you with making arrangements with margin lending facility providers approved for settlement purposes by D2MX.

Whilst D2MX is authorised in its own right to provide the above named services, D2MX representatives may be authorised by D2MX to provide all, or only some of those financial services. The products and services they are authorised to provide will depend on their experience and qualifications with respect to each product or service, and is outlined in any attached D2MX Representative Profile for authorised representatives.

You should also note that D2MX is obligated by the AML/CTF Act to collect personal information from clients in order to fully verify a clients identity before providing any designated services under the AML/CTF Act.

More information on the products and services offered by D2MX is available on our website at www.d2mx.com.au.

7. Do we provide personal financial advice?

If you use our online services for trading in listed financial products, derivatives and managed funds, we may from time to time provide general advice in relation to financial products. We will not, however, provide you with any personal advice. This means that, if we do give advice, we will not take into account your objectives, financial situation and needs. Accordingly, you will not be provided with a Statement of Advice.

8. How you may provide instructions to us

You may only provide instructions to us in accordance with your client agreement with us. That agreement might require that, if you wish to provide us with instructions, you must do so only through the relevant Licensee. That agreement might permit you to provide instructions to us directly (such as through a DMA Service) or through the relevant Licensee.

9. How do we charge for our services?

We do not charge you fees for the services that we may provide to you.

Instead, the relevant Licensee may charge you fees in respect of those transactions executed by D2MX on your behalf. However, the Licensee (not D2MX) determines the amount and structure of any such fees. The information concerning the fees which the Licensee may charge can be obtained directly from the relevant Licensee.

D2MX will charge the relevant Licensee a fee for those transactions executed through the ASX by D2MX on your behalf (**Execution Fee**).

In addition to the Execution Fee, D2MX may also charge a range of fees to the Licensee including a fixed monthly fee, a fee per trade, a fee per service and other fees.

10. Commissions and other benefits from third parties

D2MX is remunerated directly through the fees we charge you. Details of our fees and charges are set out in the schedule to this FSG.

We may also earn and retain interest on monies held for clients in trust accounts from time to time.

D2MX may provide you with financial products and services from either related or non-related product providers, and may receive a commission payment from product providers where you invest in one of their products or services. In these cases, the amount and / or the method by which the commission is calculated will be supplied to you at that time that the financial product or service is provided. Information about the commission payments we may receive is also available upon request.

D2MX may receive trail commissions from third parties as a result of your investment. In particular, trailing commissions may be received from fund management groups for monies held in your Cash Management Account. Details of these commissions are contained in the Product Disclosure Statement of the relevant fund or applicable Disclosure Statement of the relevant account.

Trailing commissions may also be received from margin lending groups for funds held. Details of these commissions are contained in the disclosure document of the relevant margin lender.

11. How are our representatives remunerated?

Directors and employees of SEQ and D2MX and their subsidiaries and related bodies corporate receive salaries, bonuses, a share of profits and other benefits.

At your request, we will provide particulars of our representative remuneration (including commissions) or other benefits. However, we will only provide this information to you if you have requested it within a reasonable time after this FSG has been given to you and before any financial services identified in this FSG are provided to you

12. Will anyone be paid for referring you to us?

If you were referred to us under a referral arrangement, the referrer may receive a one-off fee or a proportion of your brokerage paid. The referrer also may receive other nonmonetary or indirect benefits such as concessionary brokerage rates.

Other Financial Services Licensees may receive commission from us for promoting D2MX Online products, including subscription services. Those Licensees' remuneration is included in the fees you pay when investing in our products.

I3. Do we have any relationships or associations with financial product providers?

We have entered into arrangements with one or more Licensees as described in this FSG.

As noted above, we have entered into arrangements from time to time with various product providers under which we may receive a commission if you invest in one of their products or services.

D2MX may provide you with financial products and services from either related or non-related product providers. D2MX may receive a commission payment from product or service providers where you invest in one of their products or use their services. The following are examples of such arrangements where such commissions may be payable:

- **Cash Management Trust/Cash Management Account:** If you open a Cash Management Trust or Cash Management Account through D2MX, D2MX may receive initial and ongoing commissions based on the balance of the account. Details of any such commissions will be contained in the Product Disclosure Statement of the relevant CMT/CMA provider. Such amounts received by D2MX will not exceed 25 basis points.
- **Margin lending referrals:** If you use a margin lending facility arranged through D2MX, D2MX may receive ongoing commissions based on the balance of the account. Details of any such commissions will be contained in the Product Disclosure Statement of the relevant margin lender. Such amounts received by D2MX will not exceed 25 basis points.

I4. Complaints resolution

I4.1 Our commitment

We are committed to providing quality service and accurate information. As part of that commitment, we are focussed upon improving client satisfaction levels by providing an efficient and accessible system for resolving client complaints.

You have the right to have any complaint about the service received from us investigated and dealt with quickly and effectively in accordance with our complaints resolution procedures.

I4.2 Client input

To assist us in responding appropriately to complaints, you are requested to prepare any complaint in writing, addressed to:

Compliance Officer

D2MX
Level 36
50 Bridge Street
Sydney NSW 2000

or by email to complaints@sequoia.com.au

You should include as much detail about the circumstances of the complaint as possible, including the name(s) of any of our staff involved. If available, copies of any background documentation should be provided to us along with the complaint.

I4.3 Our response

Following receipt of your complaint, the Compliance Officer will acknowledge receipt of it in writing and provide an estimate of the time it will take to investigate the circumstances. The Compliance Officer will fully investigate the complaint and follow up if further information is required from you. The Compliance Officer will then prepare a detailed written response to you after consideration of all relevant documents and following interviews with the involved employees and their manager(s), if required. The written response will be mailed or delivered to you.

I5. External complaints resolution – FOS, ASX and ASIC

As we are a member of the Financial Ombudsman Service (FOS), we will advise you if you continue to have a complaint with us that you have the option to pursue your complaint with FOS. Contact details for FOS are:

Financial Ombudsman Service

GPO Box 3
Melbourne VIC 3001

Ph: 1300 780 808

Fax: (03) 9613 6399

If you remain unsatisfied with our response to a complaint, you are at all times free to pursue the matter with ASX. ASIC also has an Infoline on 1300 300 630 which you may use to make a complaint and obtain information about investor rights.

I 6. Compensation arrangements

D2MX has professional indemnity insurance which it considers is adequate having regard to:

- (a) the volume and types of business carried on by it;
- (b) the number and types of its clients;
- (c) the number of its representatives; and
- (d) any particular or potential claims that may arise pursuant to our participation in external dispute resolution schemes, including the FOS scheme.

D2MX considers that these compensation arrangements satisfy the requirements of s 912B of the Corporations Act and associated regulations.

I 7. Privacy

At D2MX the privacy of your personal information is important to us. Our privacy policy is contained in the terms of your agreement with us.