
SCHEDULE 6 –BERNDALE CLIENT AGREEMENT

(Clause 4.3)

BERNDALE
SECURITIES

ABN 63 006 687 467
AFSL No. 235 149
Participant of ASX Group

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Derivatives Client Agreement
between Client and
Clearing Participant

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DERIVATIVES CLIENT AGREEMENT

BETWEEN CLIENT AND CLEARING PARTICIPANT

This agreement is made on _____ 200__ between:

1. _____

(insert name and ABN or ACN (if any))

of _____ (Client) and

(insert address)

2. **Berndale Securities Limited ABN 63 006 687 467** AFSL No. 235149 of Level 39, 120 Collins Street, Melbourne, Victoria (**Berndale**).

The Client and Berndale agree and acknowledge as follows:

1. **INSTRUCTIONS**

1.1 **ASX Derivative Products**

The Client may from time to time instruct **Southern Cross Equities Limited ABN 87 071 935 441 (Broker)** to deal in the following kinds of derivatives which are traded on ASX :

- (a) Options (sometimes referred to as Exchange Traded Options); and
- (b) other kinds of derivatives traded on ASX.

but not including Futures (**ASX Derivative Products**)

(delete any of the ASX Derivative Products listed above in which the Broker is not authorised to deal)

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) Berndale 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. Berndale will notify the Client of any refusal or limitation as soon as practicable;

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- (b) **[ACH Minimum Term 4]** Berndale is not required to act in accordance with the Client's instructions, where to do so would constitute a breach of the ACH Clearing Rules, the ASX Market Rules or the *Corporations Act 2001* (Cth) (**Corporations Act**); and
 - (c) Unless the Client has authorised Berndale to accept and act without any inquiry upon instructions provided (including Orders placed) by fax or e-mail which appear to Berndale to have been given by or for the Client, and has indemnified Berndale in respect of any losses or expenses that Berndale may suffer or incur as a result of so acting, Berndale will refuse to accept instructions it receives by fax or e-mail in respect of the Client.

2. CLEARING ARRANGEMENTS AND RELATIONSHIP WITH ASX AND ACH

2.1 Clearing Agreement between the Broker and Berndale

The Broker is a Market Participant of ASX and is a party to a Clearing Agreement with Berndale for the purposes of the ASX Market Rules and the ACH Clearing Rules.

Berndale is a Clearing Participant of ASX and a General Participant of ACH.

2.2 Nature of Berndale's obligations [ACH Minimum Term 4]

The Client acknowledges that:

- (a) notwithstanding that Berndale (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 ACH in the name of Berndale, Berndale incurs obligations to ACH as principal, even though the Derivatives Contract may have been entered into on the Client's instructions.

2.3 Obligations of Client owed to Berndale

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

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

2.4 Rights of Client [ACH Minimum Term 4]

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

2.5 Appointment as Agent [ACH Minimum Term 10]

The Client irrevocably appoints severally ACH, and every director, manager and assistant manager for the time being of ACH, at the option of ACH (as applicable) to do all acts and execute all documents on the Client's behalf for the purpose of exercising the powers conferred on ACH under

ACH Clearing Rule 15 including, without limitation, the power to transfer or close out Derivatives Contracts if Berndale commits an event of default.

3. **APPLICATION OF ASX MARKET RULES AND ACH CLEARING RULES [ACH Minimum Term 1]**

The Client and Berndale 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 Market Rules, the ACH Clearing Rules and the procedures, customs, usages and practices of ASX, ACH and their related entities, as amended from time to time, in so far as they apply to Derivatives Contracts.

4. **MARGIN CALLS AND COVER**

4.1 **Berndale may Call for Funds or Security [ACH Minimum Term 6]**

Berndale may call for payment of money or the provision of other security which Berndale considers, in its absolute discretion, appropriate in connection with the obligations incurred by Berndale in respect of Derivative Contracts entered into for the account 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.

4.2 **Application of Funds or Financial Products to satisfy Calls**

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

4.3 **Authority to provide Cover**

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

- (a) warrants that the Client is legally entitled and authorised to do so; and
- (b) authorises Berndale to make the financial products available to ACH as Cover.

4.4 **Interest on Cover**

No interest is payable on moneys provided by the Client to Berndale under this clause.

4.5 **Berndale may use moneys as Cover**

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

5. **COMMISSIONS AND FEES [ACH Minimum Term 8]**

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

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

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

6. MONEYS AND DEFAULT

6.1 Client funds and property [ACH Minimum Term 15]

Berndale must deal with any money and property paid or given to Berndale in connection with the Berndale/Client relationship in accordance with the Corporations Act and the ACH Clearing Rules.

6.2 Combination, deposit and use of funds [ACH Minimum Term 15]

- (a) The Client acknowledges that the Client's monies and the monies of other clients of Berndale may under the ACH Clearing Rules be combined and deposited by Berndale in a trust account or clients' segregated account. The Client acknowledges that all monies credited to the clients' segregated account maintained by Berndale may be used by Berndale to meet the default of any client of Berndale.
- (b) Despite clause 6.2(a), Berndale agrees that it will only pay the Client's monies into a trust account.

6.3 Set Off

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

6.4 Default [ACH Minimum Term 7]

If:

- (a) the Client fails to pay, or provide security for, amounts payable to Berndale 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 Berndale;
- (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 Berndale 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 broker 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;

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- (f) the Client fails to complete a contract for the transfer of Underlying Financial Products following the exercise of an Option;
 - (g) a guarantee or other security provided by the Client to Berndale is withdrawn or becomes ineffective and other replacement security acceptable to Berndale is not provided;
 - (h) the Client "fails to settle" for the purpose of the terms of the Client's agreement with Berndale 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 Berndale and the Client have agreed in this agreement constitutes a default,

(each a **default**), Berndale 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, without limitation, Derivative Contracts arising from those contracts) and, without limitation, Berndale may:

- (j) enter into one or more transactions to effect the close out of one or more Derivatives Contracts in accordance with the ACH Clearing Rules;
- (k) exercise one or more Derivatives Contracts in accordance with the ACH Clearing Rules;
- (l) take such other action as a reasonably prudent broker would take in the circumstances to protect the personal obligation of Berndale incurred when dealing on behalf of the Client;
- (m) sell or cause to be sold:
 - (i) any or all of the Client's property, including any security lodged with Berndale (whether the property or security had been lodged with Berndale in connection with this agreement or for any other reason) or held by Berndale or its related bodies corporate on behalf of the Client; and
 - (ii) any financial products held by Berndale in an account for the Client or otherwise held;
- (n) exercise any other power, right or remedy which Berndale may have under this agreement or in law or equity;
- (o) exercise or cause to be exercised any other rights conferred by the ASX Market Rules, the ACH Clearing Rules or this agreement or perform any other obligations arising under the ASX Market Rules, the ACH Clearing 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 Berndale 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 Berndale or the Broker on the Client's account or to which they have access, or payments received from the Client or in reduction of the Client's liability to Berndale; or

(s) instruct the Broker to cancel any of the Client's unexecuted orders,

and the Client must account to Berndale as if those actions were taken on the instructions of the Client and, without limitation, 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 Berndale in the event of a default, the Client authorises Berndale 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 sponsored by Berndale or the Broker in CHESS, or held 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 Berndale to realise those financial products or funds and apply the proceeds in reduction of the Client's liability to Berndale and to recover Berndale's costs in so acting.

The Client must pay or reimburse Berndale any such administration fees and default charges (together with any GST payable on those amounts) immediately upon demand or at Berndale'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.

6.5 Effect of liquidation of contract following default

Upon close out of any Derivatives Contract in accordance with clause 6.4 of this agreement, the Client is liable to pay to Berndale any amount owing to Berndale in respect of that contract. If the Client fails to make that payment within the time specified by Berndale (which time is of the essence), Berndale may deal with any of the Client's money or other property held by Berndale and apply the proceeds against that amount.

6.6 Amounts Owing

If the Client has not paid any amount due to Berndale under this agreement, in addition to its rights under clause 6.4 of this agreement, Berndale may assign that debt to the Broker and the assigned debt will become an obligation of the Client's to the Broker.

6.7 Method of Payment

Where money is payable to Berndale by the Client (for example where Berndale has called for payment of money under clause 4.1 of this agreement or has notified the Client of commissions and fees in accordance with clause 5), 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 or Berndale (such as a confirmation or notice as the case may be) bears a Biller Code. Payment by this means will only be acceptable to Berndale if the Client quotes the relevant Biller Code and its BPAY reference number.

7. **ACKNOWLEDGMENTS AND WARRANTIES**

7.1 **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.

7.2 **Representations and Warranties as to capacity**

The Client represents and warrants to Berndale 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
- (d) 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.

7.3 **Change of Participant [ACH Minimum Term 16]**

If the Client receives a Participant Change Notice from Berndale 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 12.1 or by giving instruction to Berndale, 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 Berndale 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 Berndale;
- (b) any rights of Berndale are transferred to the new Participant; and
- (c) Berndale is released by the Client from any obligations arising on or after the Effective Date.

The novation can not 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 Berndale 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 Berndale 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 7.3 will prevent the completion of DTP transactions or Derivatives Contracts by Berndale 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 7.3.

7.4 Explanatory Booklet and other documents [ACH 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 ACH Clearing Rule 7.1.1(b).

7.5 Risk and investment in ASX Derivative Products [ACH 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.

7.6 Dealing as Principal and Berndale taking opposite position [ACH Minimum Term 5]

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

7.7 Confirmations

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

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

7.8 Cancellation of trades

The Client authorises Berndale, and agrees that Berndale may, without the Client's consent, cancel or amend (or requests 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 Market 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 Market Rules) or otherwise in the circumstances contemplated in the ASX Market Rules.

The obligations of Berndale 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.

8. INFORMATION AND PRIVACY

8.1 Provision of Information [ACH Minimum Term 2]

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

The Client acknowledges that Berndale does not provide financial product advice, and Berndale does not accept responsibility for any financial product advice given to the Client by the Broker.

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
- (c) details of or any change in the Client's financial situation, investment objectives and particular needs as soon as such change occurs.

The Client agrees that the Broker 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 ASX Derivative Products or to the exercise of ASX Derivative Products) of the Client to Berndale for use for the purposes of this agreement, and for the purposes of monitoring compliance by the Client, the Broker or Berndale with their regulatory and contractual obligations, and resolving disputes.

The Client also agrees that Berndale may disclose such information (or documentation), any of the Client's account details and information (or documentation) regarding transactions in financial products of the Client to the Broker or (on a confidential basis) to Berndale's related bodies corporate, for such purposes. The Client also agrees to Berndale disclosing such information (or documentation), any of the Client's account details and information regarding securities transactions of the Client to any regulatory authority for such purposes or to any person authorised to make a request for such information or documentation.

Berndale must handle the Client's personal information, including sensitive information (as defined in the *Privacy Act 1988* (Cth)), to enable Berndale to provide the Client with the services contemplated by this agreement (**Services**).

The Client understands that if the Client fails to provide any personal information requested of the Client, Berndale may not be able to provide the Client with the Services that the Client requires.

In providing the Client with the Services Berndale may, from time to time, disclose the Client's personal information to State or Commonwealth regulatory authorities, ASX, ACH, ASTC, Berndale's employees, advisers, agents, contractors and Berndale's third party service providers, such as mailing houses or financial planners. Berndale may also share the Client's personal information with other entities in the wider Merrill Lynch Group and their third party service providers. Some of the foregoing may be located overseas.

The Client can request access to any personal information that Berndale holds about the Client. On occasions, Berndale may not provide access, in which case Berndale will explain why.

If the Client wants to know more about Berndale's approach to privacy, wants to access the Client's personal information or does not want Berndale to use the Client's personal information in any of the ways set out above, the Client should contact Berndale.

8.2 Credit references

The Client agrees that Berndale 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 the Broker for the purposes of the Broker's risk assessment.

8.3 Tape recording of conversations [ACH Minimum Term 9]

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

9. **SPONSORSHIP**

9.1 **If the Client is currently sponsored by the Broker**

If the Client has entered into a Sponsorship Agreement with the Broker, the terms of that Sponsorship Agreement with the Broker will be novated to Berndale immediately, if the Client signs this agreement (**Effective Date**).

Berndale will then replace the Broker under the Sponsorship Agreement and is bound by the Sponsorship Agreement as if it had originally been a party to the Sponsorship Agreement. Following the novation the Broker's liability with respect to the Sponsorship Agreement is discharged.

If the Client does not want the terms of the Sponsorship Agreement to be novated to Berndale, the Client must, prior to the Effective Date, request the Broker to remove the Client's Sponsored Holdings either:

- (a) from the CHESS Subregister; or
- (b) from the control of the Broker to the control of another Controlling Participant with whom the Client has entered into a valid Sponsorship Agreement.

9.2 **Amendment of novated Sponsorship Agreement**

The Client agrees that the terms of its Sponsorship Agreement with Berndale (that is, the Sponsorship Agreement novated to Berndale in accordance with clause 9.1 of this agreement) will, from the Effective Date, be amended such that:

- (a) the Client must, in respect of each Holder Record, ensure that Berndale is advised of the Registration Details (including any applicable Residency Indicator for Underlying Financial Products that are the subject of a Derivatives Contract):
 - (i) as soon as possible following the placement of an Order by the Client with the Broker (including an Order where the relevant Underlying Financial Products are FOR Financial Products) but in any event, not later than 2 Business Days prior to the scheduled settlement date for the relevant transfer of FOR Financial Products to the client following the exercise of an ASX Derivative Product; and
 - (ii) in the event that the Broker becomes aware that client's Registration Details have changed, as soon as possible after that time.
- (b) the Client agrees and acknowledges that if Berndale is not advised of a Residency Indicator but has been provided with a street address in respect of that client, then Berndale will be taken to have been advised that, if the relevant street is:
 - (i) a street located in Australia, a Residency Indicator of "D" (for domestic) applies with respect to that Holder Record;
 - (ii) a street located outside Australia, a Residency Indicator of "F" (for foreign) applies with respect to that Holder Record; and
- (c) if Berndale suffers any claim, liability, direct or consequential loss (including to ASTC or an Issuer) or incurs 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 Berndale and keep Berndale fully indemnified in respect of such claim, liability, loss, cost, charge or expense.

9.3 If the Client is not currently sponsored by the Broker or Berndale

Berndale recommends that the Client enters into a Sponsorship Agreement with Berndale to enable easy transfer of the Client's holdings of financial products under CHES (Clearing House Electronic Subregister System).

10. ALLOCATION (GIVE UP)

10.1 Berndale must consent to any give up

The Client acknowledges that Berndale 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) Berndale has consented to the allocation of the Derivatives Contract to that other Participant;
- (c) Berndale has provided that consent prior to the Derivatives Contract being registered with ACH;
- (d) that other Participant has accepted the allocation of that Derivatives Contract in accordance with the ACH Clearing Rules; and
- (e) that other Participant has entered into a Client Agreement with the Client which complies with the ACH Clearing Rules.

10.2 Berndale ceases to have Clearing Obligations following give up

Clauses 4.1 and 6.4 do not apply in relation to an Allocated Trade, where the Client directs that trades be allocated to a Participant (who is not Berndale) 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 Berndale to the other Participant in accordance with the ACH Clearing Rules.

11. INDEMNITY

The Client agrees to indemnify and keep indemnified Berndale 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 Berndale directly or indirectly arising out of or in connection with:

- (a) Berndale acting as Clearing Participant for the purposes of the ASX Market Rules and as General Participant for the purposes of the ACH Clearing Rules as contemplated by this agreement;
- (b) any failure by the Client to strictly comply with this agreement; or
- (c) any Allocated Trade.

12. **TERMINATION OF AGREEMENT**

12.1 **Termination by notice [ACH Minimum Term 11]**

Either the Client or Berndale 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.

12.2 **Effect of termination [ACH Minimum Term 12]**

Termination does not affect the existing rights and obligations of the Client or Berndale at or prior to termination. Upon termination of this agreement, Berndale will close out all Derivatives Contracts held by Berndale 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 Market Rules or ACH Clearing Rules.

13. **AMENDMENT**

13.1 **Amendment by Berndale**

This agreement may be amended by Berndale from time to time. Berndale will give the Client 10 days notice of any amendment, after which time, the amendment will become effective.

13.2 **Revised Terms prescribed by ACH [ACH Minimum Term 13]**

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

13.3 **Berndale to provide Client with copy of changes [ACH Minimum Term 14]**

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

14. **GENERAL**

14.1 **Notices**

Any confirmation, statement or other written notice (including legal process) served by Berndale on the Client 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 Client's last known place of residence or business;
- (b) if given by mail, 2 Business Days after it is posted where the Client's last known address is in Australia, and ten Business Days after it is posted by airmail where the Client's last known address is outside Australia;
- (c) if given by telex, upon receipt of the Client's answer back;
- (d) if given by telegram, six hours after dispatch to the Client;
- (e) if given by facsimile transmission, at the time of transmission to the Client's last known facsimile number, or upon acknowledgment by the Client; or

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- (f) if given electronically, upon receipt by Berndale of a confirmation of delivery of the electronic mail message to the last known electronic mail address of the Client.

Unless otherwise specified in this agreement, notices served by Berndale need not be in writing. In particular, a call under clause 4.1 may be made by telephone to the Client by Berndale or by the Broker on Berndale's behalf.

14.2 Governing law

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

14.3 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 Berndale is entitled to act on the instructions of any one of those persons.

15. **INTERPRETATION AND DEFINITIONS**

Unless the contrary intention appears:

Controlling Participant, FOR Financial Products, Holder Record, Issuer, Registration Details, Residency Indicator and Sponsorship Agreement have the meaning given to them in the ASTC Settlement Rules.

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

ACH Clearing Rules means the operating rules of ACH.

ASTC means ASX Settlement and Transfer Corporation Pty Limited ABN 49 008 504 532.

ASTC Settlement Rules means the operating rules of ASTC.

ASX means Australian Stock Exchange Limited ABN 98 008 624 691.

ASX Derivative Product has the meaning given to it in clause 1.1.

ASX Market Rules means the operating rules of ASX.

Business Day means a day that is both a Trading Day under the ASX Market Rules and a Business Day under the ACH Clearing Rules;

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

Other words and phrases defined in the ASX Market Rules, the ACH Clearing Rules and the ASTC Settlement Rules have the meaning given to them in the corresponding 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.

Executed as an agreement

IF THE CLIENT IS A NATURAL PERSON

SIGNED by [*name of client*] in the presence of:

Signature of client

Signature of witness

Name

OR IF THE CLIENT IS A COMPANY

EXECUTED by [*name of client*]:

Signature of director / ****sole director and secretary**
(Cross out whichever option is not applicable)

Signature of second director or secretary

Name

Name

***This option should only be selected if the company is an Australian proprietary company which has only one director and that person is also the only secretary.*

SIGNED for **BERNDALE SECURITIES LIMITED**, by its duly authorised officer, in the presence of:

Signature of officer

Signature of witness

Name

Name

REGISTERED HOLDER COLLATERAL COVER AUTHORISATION

Client Account Numbers this Authorisation covers ¹ :

1. We/I,
 (insert name of Registered Holder)

("the Registered Holder"), Holder Identification Number)
 (insert HIN)

authorise my Controlling Participant, to reserve (or withdraw) Financial Products (the "Collateral") registered in the name of the Registered Holder in the Australian Clearing House Pty Ltd, ABN 48 001 314 503 ("ACH") Subposition as Collateral Cover for obligations in respect of Options Market Contracts registered in the Client Accounts nominated above with

.....
 (insert ACH Participant's name)

2. The Registered Holder acknowledges that ACH may, in its absolute discretion, decline to accept in relation to all or any particular Client Account nominated above 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 ACH Subposition by sending the appropriate Collateral lodgement message so that the Collateral lodged comes under the control of ACH, or Collateral withdrawn leaves the control of ACH, in accordance with the ACH Clearing Rules and Procedures (as amended from time to time).
4. In registering Collateral in the ACH Subposition, the Registered Holder acknowledges that the Collateral will be subject to a fixed charge (the "Charge") in favour of ACH from the time they are reserved to the ACH Subposition in the manner referred to above, and will remain subject to the Charge until ACH permits it to be withdrawn from the ACH Subposition.
5. The Registered Holder acknowledges that the Charge secures all amounts and obligations owing by the ACH Participant to ACH in connection with the Client Accounts nominated above¹ opened by the ACH Participant in accordance with the ACH Clearing Rules and Procedures (as amended from time to time).
6. The Registered Holder acknowledges that the Registered Holder has read and understood the ACH Clearing Rules and the ASTC Settlement Rules, in so far as those rules relate to the Collateral and the Charge, including:
 - (a) ACH's power to deal with the Collateral on default by the ACH Participant in respect of the Client Accounts nominated above¹; and
 - (b) in particular, ACH's power of sale in relation to the Collateral without any notice to the Registered Holder.
7. The Registered Holder warrants that unless ACH 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 ACH and the margin lender, which provides that ACH's Charge has priority over the margin lender's security interest ("the Deed of Priority") or a security interest as permitted under the ACH Clearing Rules or the ASTC Settlement Rules.
8. If the Registered Holder's Controlling Participant 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 ACH Participant is unable to insert the Account Numbers and/or HIN at the time the Register Holder signs this form the Registered Holder irrevocably authorises the ACH Participant to insert the Account Numbers and/or HIN on this agreement and agrees the ACH Participant will insert the Account Numbers and/or HIN on the Registered Holder's behalf, prior to lodging this Authorisation with ACH. The ACH 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 ACH Clearing Rules and Procedures (as amended from time to time).

Signed by the Registered Holder: * Dated:	Witnessed by: Print Name:
* If a corporation, must be signed in accordance with the	

Corporations Act, or if signed under power of attorney, a copy of the power of attorney must also be attached to this Authorisation.	
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