



**CLIENT CONTACT DETAILS** (This section is compulsory and will be displayed online for the Adviser's reference)**Applicant 1**

Phone: ( ) Occupation:   
 Fax: ( )   
 Email: Employer:

**Applicant 2**

Phone: ( ) Occupation:   
 Fax: ( )   
 Email: Employer:

**MARGIN LENDING/THIRD PARTY SETTLEMENT DETAILS** (If the client has a margin lending account please complete this section)

It is the Adviser's responsibility to ensure the Client satisfies the Margin Lenders/Third Party's requirements

Name of Third Party: A/C Name:   
 Contact Name: A/C No: HIN/SRN:

**BANK DETAILS** (If the client wishes to both Sell AND Buy shares complete this section and continue to the next section)

Proceeds from sale settlements will be paid into this account, and if required under the previous section, funds will be Direct Debited for Buys.

Account Name:   
 Bank Name: Branch:   
 BSB Number: A/C Number:

**DIRECT DEBIT AUTHORISATION** (Detail not required if the client only wishes to SELL shares)

It is the Adviser's responsibility to ensure the Clients' details are correct

Date:   
 Request and authority to debit the account above to pay Australian Investment Exchange Ltd.   
 I/We (Full Name or Company Name & ACN):

request the Bank, until further notice in writing, to debit my/our account, described in the Schedule above, subject to the Terms and Conditions of the **Direct Debit Request Service Agreement** following, any amount which Australian Investment Exchange ("the User" - ID No. 93993) may debit or charge me/us through the Direct Debit System.

I/We agree that my/our account may be direct debited by the User in accordance with AUSIEX's Virtual Broker Terms and Conditions.

I/We have read and understood the Terms and Conditions governing the debit arrangement between me/us and the User as set out in the **Direct Debit Request Service Agreement** following.

Clients Signature (s):

(Please note, check with your Financial Institution to ensure Direct Debiting is available for this account)   
 (Please note, if multiple party account please provide all signatures)

**DIRECT DEBIT REQUEST SERVICE AGREEMENT****Definitions**

**Account** means the account held at your financial institution from which we are authorised to arrange for funds to be debited.

**Agreement** means this Direct Debit Request Service Agreement between you and us.

**Business day** means a day other than a Saturday or Sunday or a public holiday listed throughout Australia.

**Debit day** means the day that payment by you to us is due.

**Debit payment** means a particular transaction where debit is made.

**Direct debit request** means the Direct Debit Request between us and you.

**Us or we** means you have authorised by signing a direct debit request.

**You** means the customer who signed the direct debit request. Your financial institution is the financial institution where you hold the account that you have authorised us to arrange to debit.

**DIRECT DEBIT REQUEST SERVICE AGREEMENT****1. Debiting Your Account**

- 1.1 By signing a direct debit request, you have authorized us to arrange for funds to be debited from your account. You should refer to the direct debit request and this agreement for the terms of the arrangement between us and you.
- 1.2 We will only arrange for funds to be debited from your account as authorised in the direct debit request.
- 1.3 If the debit day falls on a day that is not a business day, we may direct your financial institution to debit your account on the following business day.

If you are unsure about which day your account has or will be debited you should ask your financial institution.

**2. Changes by Us**

- 2.1 We may vary any details of the agreement or a direct debit request at any time by giving you at least fourteen 14 days' written notice.

**3. Changes by You**

- 3.1 Subject to 3.2 and 3.3, you may change the arrangements under a direct debit request by contacting us on 1300 360 896.
- 3.2 If you wish to stop and defer a debit payment you must notify us in writing at least seven (7) days before the next debit day. This notice should be given to us in the first instance.
- 3.3 You may also cancel your authority for us to debit your account at any time by giving us seven (7) days notice in writing before the next debit day. This notice should be given to us in the first instance.

**4. Your Obligations**

- 4.1 It is your responsibility to ensure that there are sufficient clear funds available in your account to allow a debit payment to be made in accordance with the direct debit request.
- 4.2 If there are insufficient clear funds in your 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 us; and
  - (c) You must arrange for the debit payment to be made by another method or arrange for sufficient clear funds to be in your account by an agreed time so that we can process the debit payment.
- 4.3 You should check your account statement to verify that the amounts debited from your account are correct.
- 4.4 If National Australia Bank Limited A.C.N. 004 044 937 ("National") is liable to pay goods and services tax ("GST") on a supply made by the National in connection with this agreement, then you agree to pay the National on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

**DIRECT DEBIT REQUEST SERVICE AGREEMENT****5. Dispute**

- 5.1 If you believe that there has been an error in debiting your account, you should notify us directly on 1300 360 896 and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly.
- 5.2 If we conclude as a result of our investigations that your account has been incorrectly debited we will respond to your query by arranging for your financial institution to adjust your account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your account has been adjusted.
- 5.3 If we conclude as a result of our investigations that your account has not been incorrectly debited we will respond to your query by providing you with reasons and any evidence for this finding.
- 5.4 Any queries you may have about an error made in Version 4.2 09/12/03 debiting your account should be directed to us in the first instance so that we can attempt to resolve the matter between us and you. If we cannot resolve the matter you can still refer it to your financial institution which will obtain details from you of the disputed transaction and may lodge a claim on your behalf.

**6. Accounts**

You should check:

- (a) With your financial institution whether direct debiting is available from your account as direct debiting is not available on all accounts offered by financial institutions.
- (b) Your account details which you have provided to us are correct by checking them against a recent account statement; and
- (c) With your financial institution before completing the direct debit request if you have any queries about how to complete the direct debit request.

**7. Confidentiality**

- 7.1 We will keep any information (including your account details) in your direct debit request confidential.

We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.

- 7.2 We will only disclose information that we have about you
  - (a) To the extent specifically required by law; or
  - (b) For the purposes of this agreement (including disclosing information in connection with any query or claim).

**8. Notice**

- 8.1 If you wish to notify us in writing about anything relating to this agreement, you should write to us at PO Box 7428, CLOISTERS SQUARE WA 6850.
- 8.2 We will notify you by sending a notice in the ordinary post to the address you have given us in the direct debit request.
- 8.3 Any notice will be deemed to have been received two (2) business days after it is posted.

**DECLARATIONS (The Adviser must sign below. The Client(s) must sign the declaration below if they intend to both Sell AND Buy shares)**

1. I/We, the Client(s) acknowledge that we have been supplied with, and read, the current Australian Investment Exchange Ltd Financial Services Guide prior to receiving any financial service from Australian Investment Exchange Ltd.
2. I/We, the Client(s) acknowledge that we have been supplied with, and read, the current Select Equities Financial Services Guide prior to receiving any financial service from Select Equities.
3. I/We, the Client(s), agree to be sponsored by Australian Investment Exchange Limited ("AUSIEX") under the terms of AUSIEX's Participant Sponsorship Agreement following. I have read and agree to accept and abide by the terms of the Agreement, and have been supplied with, read and understood the written explanation of the implications of those terms.
4. I/We, the Client(s), authorise the Adviser to open a Share Trading Account with AUSIEX and to give instruction to AUSIEX on the Account on my behalf.
5. I/We, the Client(s), acknowledge that as a result of my Share Trading Account managed by my Adviser with AUSIEX having Straight Through Processing (an automated processing of a securities trade through the Stock Exchange Automated Trading System) it is possible that any orders on my Account may be matched with another order also placed by AUSIEX. This "crossing" may be with an order by another client of AUSIEX or by AUSIEX itself.
6. I/We, the Client(s), acknowledge and agree that all contract notes are to be sent electronically to my email and where the contract note is posted, that a charge will apply.
7. I/We authorise AUSIEX to accept instructions on my/our behalf from my Adviser and confirm that my/our Adviser has the power to do the following in my/our name an on my/our behalf from time to time:
  - (a) to acquire, buy, deal with and dispose of any securities
  - (b) to pay or receive payment for any securities transactions and related expenses and to give a good receipt and discharge for the securities, proceeds and other monies to execute all necessary or proper contracts and other documents for the custody, dealing and transfer of securities and related matters
  - (c) to exercise all rights and privileges and perform all duties and obligations which may now or in the future apply to me/us as a holder of securities
  - (d) to execute all necessary or proper contracts and other documents for the custody, dealing and transfer of financial products and related matters
8. I/We accept that my Adviser has access to all information relating to transactions undertaken in relation to dealings with AUSIEX.
9. I/We, the Client(s), declare that I/We have the legal capacity to make these declarations, accept the conditions and enter into the agreements referred to in points 1, 2, 3, 4, 5, 6, 7 and 8 above.

**Check this box to receive contract notes via post** (A charge per contract note will apply).

**Check this box to receive the Select Equities Pro Active Service** (in accordance with fees and associated services detailed in the Select Equities Financial Services Guide).

**Please include a copy of your drivers licence or passport. This must confirm your current residential address. If this does not confirm your current residential address, you must also provide a copy of a bank statement, council rate notice or utility account (such as water, gas or electricity) that verifies your current residential address.**

**Client Signatures**


Applicant 1, or Authorised Person of Company

Applicant 2

Date:

**Adviser's Signature**


Authorised Representative (Adviser)

Date:

**AUSIEX's Signature**


Representative of AUSIEX

Date:

**HIN REQUEST OR TRANSFER**

If the box below is left blank, a new HIN will be generated automatically.

I would like to transfer the client's HIN from another broker. (Please ensure that AUSIEX's Broker to Broker form is completed and submitted).

**TERMS AND CONDITIONS OF PARTICIPANT SPONSORSHIP AGREEMENT**

**NOTICE:** Before you sign, please contact a Client Services Officer of Australian Investment Exchange Ltd if you require an explanation of the effect of this Sponsorship Agreement.

**RECITALS**

- A ASX Settlement and Transfer Corporation Pty Limited (ASTC) in its capacity as an approved Clearing and Settlement facility under the Corporations Act, operates the Clearing House Electronic Subregister System ("CHESS").
- B CHESS allows Clients to hold Financial Products in an uncertificated form in holdings sponsored by the Broker.
- C The Client ("the Participant Sponsored Holder") agrees to be sponsored by Australian Investment Exchange Ltd ABN 71 076 515 930, AFSL 241400 (the "Participant")

**AGREEMENT****1. Definitions And Interpretations**

1.1 In this Agreement,

"**ACH**" means Australian Clearing House Pty Ltd and its successors;

"**ASTC**" means the ASX Settlement and Transfer Corporation Pty Limited ABN 49 008 504 532 as approved as the Clearing and Settlement facility under the Corporations Act to operate CHESS;

"**CHESS Holding**" means an uncertificated holding of Financial Products on a sub-register for that class of Financial Products maintained by ASTC;

"**HIN**" means Holder Identification Number;

"**Rules**" means the ASTC Settlement Rules;

"**Participant**" means Australian Investment Exchange Ltd

"**Sponsored Holding**" means a CHESS Holding of the Participant Sponsored Holder which is identified by a HIN which is, at the request of the Participant Sponsored Holder, notified in writing by the Participant to the Participant Sponsored Holder after this Agreement commences; and

"**Withdrawal Instructions**" means instructions for withdrawal of Financial Products from a Sponsored Holding;

1.2 Any term used in this Agreement which is defined in the ASTC Settlement Rules has the same meaning given to them in the ASTC Settlement Rules.

1.3 Words expressed in one gender include all genders; and Words expressed in the singular include the plural and vice versa.

1.4 This Agreement is intended to comply with the ASTC Settlement Rules and shall be read and construed accordingly. (A copy of any further definitions may be obtained from Australian Investment Exchange Ltd by request).

**2. Appointment**

2.1 The Participant Sponsored Holder appoints the Participant to provide, and the Participant agrees to provide, transfer and settlement services as agent for the Participant Sponsored Holder in relation to Sponsored Holdings on the terms and conditions contained in this Agreement.

**3. Participant Rights**

3.1 Where the Participant Sponsored Holder authorises the Participant to buy Financial Products, the Participant Sponsored Holder will pay for those Financial Products within three Business Days of the date of purchase. The Participant may require payment or a deposit before it executes the Participant Sponsored Holder's instructions to buy Financial Products.

3.2 Subject to Clause 3.3, the Participant is not obliged to transfer Financial Products into the Participant Sponsored Holding, where payment for those Financial Products has not been received, until payment is received.

3.3 Where a contract for the purchase of Financial Products remains unpaid, after the Participant has made a demand of the Participant Sponsored Holder to pay for the Financial Products, the Participant may sell those Financial Products that are the subject of that contract at the Participant Sponsored Holder's risk and expense and that expense shall include brokerage, and stamp duty and any other costs incurred by the Participant.

**TERMS AND CONDITIONS OF PARTICIPANT SPONSORSHIP AGREEMENT**

- 3.4 Where the Participant claims that an amount lawfully owed to it has not been paid by the Participant Sponsored Holder, the Participant has the right to refuse to comply with the Participant Sponsored Holder's Withdrawal Instructions, but only to the extent necessary to retain Financial Products of the minimum value held in a Participant Sponsored Holding (where the minimum value is equal to 120% of the current market value of the amount claimed).

**4. Participant Sponsored Holder's Rights**

- 4.1 Subject to Clauses 3.3 and 3.4, the Participant will initiate any Transfer, Conversion or other action necessary to give effect to Withdrawal Instructions within two (2) Business Days of the date of the receipt of the Withdrawal Instructions.
- 4.2 The Participant will not initiate any Transfer or Conversion into or out of the Participant Sponsored Holding without the express authority of the Participant Sponsored Holder.
- 4.3 The Participant is an Australian Financial Services Licensee and therefore regulated by Australian Securities and Investment Commission (ASIC) and subject to the regulations imposed by ASIC. In addition, as a Participant of the ASX Group, the Participant is bound by the ASX Market Rules, ASTC Settlement Rules, ACH Clearing Rules and associated procedures. The Participant Sponsored Holder can obtain further information as to the status of the Participant from either ASIC, ASX, ASTC or ACH.
- 4.4 The Participant Sponsored Holder may lodge a complaint against the Participant with either the ASX, ASTC or ACH as a result of any contravention of this agreement. Any claim for compensation can be lodged with the National Guarantee Fund which operates as a compensation arrangement for investors who may suffer loss due to the defalcation by Market Participants in relation to equities and warrants and exchange traded options.

**5. Supply Of Information**

- 5.1 The Participant Sponsored Holder shall supply all information and supporting documentation that is reasonably required to permit the participant to comply with the registration requirements, as are in force from time to time, under the ASTC Settlement Rules.

**6. Exchange Traded Options, Pledging And Sub-Positions**

- 6.1 Where the Participant Sponsored Holder arranges with ACH to lodge Financial Products in a Participant Sponsored Holding as cover for written positions in the Australian Options Market, and informs the Participant of the arrangement, the Participant Sponsored Holder authorises the Participant to take whatever action is reasonably required by ACH in accordance with the Rules to give effect to that arrangement.
- 6.2 Where the Participant Sponsored Holder arranges with any person to give a charge or any other interest in the Financial Products in a Participant Sponsored Holding, the Participant Sponsored Holder authorises the Participant to take whatever action is reasonably required by the person in accordance with the Rules to give effect to that arrangement.
- 6.3 The Participant Sponsored Holder acknowledges that where, in accordance with this Agreement and/or the Participant Sponsored Holder's instructions, the Participant initiates any action which has the effect of creating a sub-position over Financial Products in the Participant Sponsored Holding, the right of the Participant Sponsored Holder to transfer, convert or otherwise deal with those Financial Products is restricted in accordance with the terms of the Rules relating to sub-positions.
- 6.4 Nothing in this Agreement operates to override any interest of ACH in the Financial Products.

**7. Fees**

- 7.1 The Participant Sponsored Holder shall pay all Brokerage fees and associated transactional costs within the period prescribed by the Participant.

**8. Notifications And Acknowledgements**

- 8.1 The Participant Sponsored Holder acknowledges that if the Participant is not a Participating Organisation of ASX, neither ASX nor any Related Party of ASX has any responsibility for supervising or regulating the relationship between the Participant Sponsored Holder and the Participant, other than in relation to the Rules relating to Sponsorship Agreements.
- 8.2 The Participant Sponsored Holder acknowledges that if a Transfer is taken to be effected by the Participant under Section 9 of the ASTC Settlement Rules and the Source Holding for the Transfer is a Participant Sponsored Holding under the Sponsorship Agreement, then:

**TERMS AND CONDITIONS OF PARTICIPANT SPONSORSHIP AGREEMENT**

- (a) the Participant Sponsored Holder may not assert or claim against ASTC or the relevant Issuer that the Transfer was not effected by the Sponsoring Participant or that the Sponsoring Participant was not authorised by the Participant Sponsored Holder to effect the Transfer; and
  - (b) unless the Transfer is also taken to have been effected by a Participating Organisation of ASX or a Clearing Participant of ACH, the Participant Sponsored Holder has no claim arising out of the Transfer against the National Guarantee Fund under Part 7.5, Division 4 of the Corporations Regulations.
- 8.3 In the event that the Participant breaches any of the provisions of this Agreement, the Participant Sponsored Holder may refer that breach to any regulatory authority, including ASTC.
- 8.4 In the event that the Participant is suspended from CHESSE participation, subject to the assertion of an interest in Financial Products controlled by the Participant, by the liquidator, receiver, administrator or trustee of that Participant:
  - (a) the Participant Sponsored Holder has the right, within twenty (20) Business Days, to give notice to ASTC requesting that any Participant Sponsored Holdings be removed either: (i) from the CHESSE Subregister; or (ii) from the control of the suspended Participant to the control of another Participant with whom they have concluded a valid Sponsorship Agreement pursuant to Rule 12.19.10; or
  - (b) where the Participant Sponsored Holder does not give notice under Clause 8.4.(a), ASTC may effect a change of Controlling Participant under Rule 12.19.11 and the Participant Sponsored Holder will be deemed to have entered into a new Sponsorship Agreement with the substitute Participant on the same terms as the existing Sponsorship Agreement. Where a Participant Sponsored Holder is deemed to have entered into a Sponsorship Agreement, the new Participant must enter into a Sponsorship Agreement with the Participant Sponsored Holder within ten (10) Business Days of the change of Controlling Participant.
- 8.5 The Participant Sponsored Holder acknowledges that before the Participant Sponsored Holder executed the Agreement, the Participant provided the Participant Sponsored Holder with an explanation of the effect of the Sponsorship Agreement to the Participant Sponsored Holder and the Participant Sponsored Holder understands the effect of the Agreement.
- 8.6 The Participant Sponsored Holder acknowledges that in the event of the death or bankruptcy of the Participant Sponsored Holder, a Holder Record Lock will be applied to all Participant Sponsored Holdings in accordance with the ASTC Settlement Rules, unless the Participant Sponsored Holder's legally appointed representative or trustee elects to remove the Participant Sponsored Holdings from the CHESSE Sub-register.
- 8.7 The Participant Sponsored Holder acknowledges that in the event of the death of the Participant Sponsored Holder, this Sponsorship Agreement is deemed to remain in operation, in respect of the legally appointed representative authorised to administer the Participant Sponsored Holder's estate, subject to the consent of the legally appointed representative, for a period of up to three calendar months after the removal of a Holder Record Lock applied pursuant to Clause 8.6.

**FOR JOINT HOLDINGS ONLY**

- 8.8 The Participant Sponsored Holder acknowledges that in the event of the death of one of the Holders, the Participant shall transfer all Holdings under the joint Holder Record into new Holdings under a new Holder Record, and that this Sponsorship Agreement remains valid for the new Holdings under the new Holder Record.
- 8.9 The Participant Sponsored Holder acknowledges that in the event of the bankruptcy of one of the Holders the Participant will:
  - (a) unless the legally appointed representative of the bankrupt Participant Sponsored Holder elects to remove the Participant Sponsored Holdings from the CHESSE Subregister, establish a new Holder Record in the name of the bankrupt Participant Sponsored Holder, transfer the interest of the bankrupt Participant Sponsored Holder into new Holdings under the new Holder Record and request that ASTC apply a Holder Record Lock to all Holdings under that Holder Record; and
  - (b) establish a new Holder Record in the name(s) of the remaining Participant Sponsored Holder(s) and Transfer the interest of the remaining Participant Sponsored Holder(s) into new Holdings under the new Holder Record.

**9. Change Of Controlling Participant**

- 9.1 If the Participant Sponsored Holder receives a Participant Change Notice from the Controlling Participant 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 Participant Sponsored Holder 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 Participant Sponsored Holder may choose to terminate the Agreement by giving Withdrawal Instructions under the ASTC Settlement Rules to the Controlling Participant, indicating whether the Participant Sponsored Holder wishes to:
  - (a) transfer its Participant Sponsored Holding to another Controlling Participant; or

**TERMS AND CONDITIONS OF PARTICIPANT SPONSORSHIP AGREEMENT**

- (b) transfer its Participant Sponsored Holding to one or more Issuer Sponsored Holdings.
- 9.3 If the Participant Sponsored Holder does not take any action to terminate the agreement in accordance with 9.2 above, and does not give any other instructions to the Controlling Participant which would indicate that the Participant Sponsored Holder does not agree to the change of Controlling Participant then, on the Effective Date, the Agreement will have been taken to be novated to the New Controlling Participant and will be binding on all parties as if, on the Effective Date:
- (a) the New Controlling Participant is a party to the Agreement in substitution for the Existing Controlling Participant;
  - (b) any rights of the Existing Controlling Participant are transferred to the new Controlling Participant; and
  - (c) the Existing Controlling Participant is released by the Participant Sponsored Holder from any obligations arising on or after the Effective Date.
- 9.4 The novation in clause 9.3 will not take effect until the Participant Sponsored Holder has received a notice from the New Controlling Participant confirming that the New Controlling Participant consents to acting as the Controlling Participant for the Participant Sponsored Holder. The Effective Date may as a result be later than the date set out in the Participant Change Notice.
- 9.5 The Participant Sponsored Holder 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 the Agreement to the New Controlling Participant (for example by giving an instruction to the New Controlling Participant), on or after the Effective Date, and such consent will be taken to be given as of the Effective Date.
- 9.6 The Agreement 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 the Agreement 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 the Agreement on trust for the New Controlling Participant.
- 9.7 Nothing in this clause 9 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 the Agreement will continue to apply to the completion of those transactions, notwithstanding the novation of the Agreement to the New Controlling Participant under this clause 9.

**10. Claims For Compensation**

- 10.1 As a Participant of the ASX Group any claim for compensation can be lodged with the National Guarantee Fund which operates as a compensation arrangement for investors who may suffer loss due to the defalcation by Participants in relation to equities and warrants and exchange traded options.
- 10.2 If the Participant breaches a provision of this Agreement and the Participant Sponsored Holder makes a claim for compensation pursuant to that breach, the ability of the Participant to satisfy that claim will depend on the financial circumstances of the Participant.
- 10.3 If a breach by a Participant of a provision of this Agreement falls within the circumstances specified under Part 7.5, Division 4 of the Corporations Regulations, a Participant Sponsored Holder may make a claim on the National Guarantee Fund for compensation. (For more information on the circumstances in which a Participant Sponsored Holder may make a claim on the National Guarantee Fund or for information on the National Guarantee Fund generally, contact the Securities Exchange Guarantee Corporation Pty Ltd).

**11. Termination**

- 11.1 Subject to the ASTC Settlement Rules, this Agreement will be terminated upon the occurrence of any of the following events:
- (a) by notice in writing from either the Participant Sponsored Holder or the Participant to the other party to this Agreement;
  - (b) upon the Participant becoming insolvent; or
  - (c) upon the termination or suspension of the Participant.
  - (d) upon the giving of Withdrawal Instructions by a Participant Sponsored Holder to a Controlling Participant in accordance with Rule 7.1.10(c).
- 11.2 Termination under Clause 11.1 (a) will be effective upon receipt of Notice by the other party to the Agreement.

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### 12. Variation

- 12.1 Should any of the provisions in this Agreement be inconsistent with the provisions in the ASTC Settlement Rules, the Participant shall, by giving the Participant Sponsored Holder not less than seven (7) Business Days written Notice, vary the Agreement to the extent to which, in the Participant's reasonable opinion, it is necessary to remove any inconsistency.

EXECUTED as an Agreement

## PARTICIPANT SPONSORSHIP AGREEMENT EXPLANATION

A Participant Sponsorship Agreement allows all stock that you trade to be administered from a central source, AUSIEX. Instead of share certificates, the details of your holdings are kept electronically at CHESS.

### What is CHESS?

CHESS stands for Clearing House Electronic Sub-Register System. Instead of issuing a physical share certificate, CHESS records an individual's share ownership via the ASX's computer-based share and settlement transaction system. An individual's securities' holding is recorded against their HIN and a statement is sent out to their registered address. All clients that wish to trade through AUSIEX, excluding clients doing one off sells of Issuer Sponsored stock, are required to be registered on CHESS and hence be Participant Sponsored.

### What is a HIN?

HIN stands for Holder Identification Number. It is the number by which CHESS identifies individuals and registers their holdings. It also identifies the broker they hold the securities with. You will be provided with a HIN when you complete the Participant Sponsorship Agreement in your share trading application form. Each month you will receive a single CHESS statement showing any share movements during the month.

### Can I transfer stock from one AUSIEX trading account to another?

Stock can be moved from one AUSIEX trading account to another, this is known as an off-market transfer. To complete an off-market transfer you will need to fill in the Off-Market Transfer Form which your Financial Adviser can provide for you.

### Can I transfer stock from my previous broker to my trading account with AUSIEX?

Yes you can providing the registration details match. Just complete the broker to broker transfer form and specify the HIN or stocks you want transferred over. Send/fax this form back to us and we will process this request.

### How long does it take to transfer my securities from another broker?

Australian Stock Exchange requires transfers be conducted within 2 business days.

### What can I do with my Issuer Sponsored stock?

Shares held on an SRN can either be traded through your account or can be converted from Issuer Sponsored to Participant Sponsored. The necessary forms are available from your Financial Adviser.

A summary of the main points of the Participant Sponsorship Agreement follows. It is intended only as a guide and is to be read in conjunction with the agreement.

1. All stock purchased or transferred in under this agreement is held as Participant Sponsored on a HIN with AUSIEX.
2. A HIN is a Holder Identification Number and reflects all holdings of a client's stock held through AUSIEX.
3. You agree to allow AUSIEX to perform transfer and settlement services for stock traded through AUSIEX.
4. You agree to pay for securities purchased and realise that non payment may result in the shares being sold at your expense.
5. You agree to pay all fees associated with the administration and trading of your securities.
6. AUSIEX will not initiate any transfer or conversion into or out of your holding without your express authority.
7. You agree to supply all necessary documentation and/or information as required by AUSIEX relating to your holdings.
8. You allow AUSIEX to take any necessary actions in relation to your securities which involve complying with ASTC Market Rules, ACH requirements and the Corporations Act.
9. Any breach of the agreement by AUSIEX may entitle you to take action to rectify the situation.