



Derivatives Client Agreement

Last updated 7 April 2022

1. Instructions

1.1 ASX Derivative Products

The Client may from time to time instruct the Intermediary 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 Orders and instructions

If the Client places an Order with the Intermediary, the Intermediary, as the Client's agent (and not as the agent of Openmarkets), will communicate the Client's Order to Openmarkets and other instructions or information to Openmarkets as appropriate. In placing an Order the Client is acting as principal or as an intermediary on another's behalf (and if acting as an intermediary the Client is specifically authorised to transact the ASX Derivatives Products by terms of a licence held by the Client, a trust deed or an agency contract).

Openmarkets will not act on any Orders or other instructions or information communicated directly to it by the Client (and not through the Intermediary). The Client may only terminate the Intermediary's authority to act on the Client's behalf by terminating this agreement. A reference in this agreement to an Order or instruction from the Client is a reference to an Order or instruction from the Intermediary as the Client's agent.

Openmarkets may at any time, in its absolute discretion, refuse to accept any Order from, or execute Orders for, the Client.

Subject to any instructions from the Client, Openmarkets will generally execute Orders in the sequence in which they are received. However, the Client acknowledges and agrees that:

- (a) the Client's Order may be automatically crossed against other orders before reaching the market;
- (b) the Client will be charged the normal rate of commission by the Intermediary for Orders which are crossed with Openmarkets' principal orders; and
- (c) Openmarkets 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) the Client's Order. Accordingly, the Client agrees that Openmarkets may execute principal orders where the Client's Order on the same terms is outstanding, and that this agreement constitutes disclosure as required by ASIC Market Integrity Rule 5.1.8.

1.3 Right to refuse to deal [ASX Minimum Term 4, ASIC Minimum Term 3.1.7(1)(d)(v and vi) and ASX Clear Minimum Term 4]

The Client acknowledges that:

- (a) Openmarkets may at any time refuse to deal in, or may limit dealings in, ASX Derivative Products for the Client. Openmarkets will notify the Client of any refusal or limitation as soon as practicable. Openmarkets 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 or the Corporations Act; and

1.5 Intermediary's use of a DMA Service

Openmarkets may provide a direct market access service (**DMA Service**) to the Intermediary under which the Intermediary may place the Client's Orders directly into the Trading Platform through an electronic automated client order process. The Client acknowledges that if Openmarkets provides a DMA Service to the Intermediary:

- (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. the Client remains liable to settle the original Order, until any relevant amendment or cancellation is effected;
- (a) the execution of an Order placed through the DMA Service may be delayed by filters or other electronic features of the electronic system;
- (b) Openmarkets 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;
- (c) except as required by law, Openmarkets makes no representations or warranties express or implied with respect to the DMA Service;
- (d) 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 the Client's data may not be protected, and there are risks that other users of the DMA Service, institutions or brokers may be able to see the Client's Orders and other communications relating to trading and execution without the Client's (or Openmarkets') consent and that third parties (including persons on private networks) will have the ability to attach to the Client's network; and
- (e) Openmarkets may terminate the Intermediary's participation in the DMA Service at any time without notice to the Client.

2. Clearing arrangements and relationship with ASX and ASX clear

2.1 The Client's relationship with Openmarkets

The Client's primary relationship will be with the Intermediary. The Client's relationship with Openmarkets will be limited to the execution of Orders placed with Openmarkets by the Intermediary on behalf of the Client and to the clearing and settlement of Derivatives Transactions.

The Client acknowledges that Openmarkets will not provide financial product advice, or legal, tax, financial or accounting advice or make any financial product recommendations to the Client as part of the service to be provided to the Client by them.

2.2 Nature of Openmarkets' obligations [ASIC Minimum Term 3.1.7(1)(d)(i) and ASX Clear Minimum Term 4]

The Client acknowledges that:

- (a) notwithstanding that Openmarkets or the Intermediary 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 Openmarkets as principal; and
- (b) upon registration of a Derivatives Contract with ASX Clear in the name of Openmarkets, Openmarkets 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 Openmarkets

On execution of a Derivatives Transaction by Openmarkets (or another Trading Participant where the Derivatives Transaction is allocated or transferred to Openmarkets as contemplated by clause 8.3) on behalf of the Client:

- (a) Openmarkets (and not that other Trading Participant or its clearing participant) is obliged as principal and has the Clearing Obligations (as defined in the ASX Operating Rules) for that transaction (including upon registration, obligations to ASX Clear as principal) even though the transaction has been entered into on the Client's behalf; and
- (b) the Client owes obligations to Openmarkets 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 Openmarkets that obligation will not be satisfied by delivery to the Intermediary.

2.4 Rights of Client [ASX Clear Minimum Term 4]

The Client acknowledges that any benefit or right obtained by Openmarkets 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 Openmarkets 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 Openmarkets (or any other Market Participant or Clearing Participant) in any Derivatives Contract.

2.5 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 Operating Rule 15 including, the power to transfer or close out Derivatives Contracts if Openmarkets commits an event of default.

2.6 Application of ASX Operating Rules and ASX Clear Rules [ASX Minimum Term 1, ASIC Minimum Term 3.1.7(1)(d)(vii) and ASX Clear Minimum Term 1]

The Client and Openmarkets 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 ASIC Market Integrity Rules, 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.

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

3. Margin calls and cover

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

Openmarkets may call for payment of money or the provision of other security (**Openmarkets Cover**) which Openmarkets considers, in its absolute discretion, appropriate in connection with the obligations incurred by Openmarkets in respect of Derivative Contracts entered into for the account of the Client. The Client acknowledges that Openmarkets is entitled to call for Openmarkets Cover under this clause 3.1 of an amount or value which exceeds the amount of the Cover which Openmarkets 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 Openmarkets 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 Openmarkets as Openmarkets Cover (whether by delivery to Openmarkets or application by Openmarkets under this agreement), the Client:

- (a) warrants that the Client is legally entitled and authorised to do so, and that the Openmarkets Cover is free from all Encumbrances; and
- (b) authorises Openmarkets 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 Openmarkets under this clause.

3.5 Openmarkets may use moneys as Cover

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

4. Commissions and fees [ASX Minimum Term 2, ASIC Minimum Term 3.1.7(1)(d)(iii) and ASX Clear Minimum Term 8]

The Client must pay to Openmarkets:

- (a) (as agent for the Intermediary) commissions, fees, charges, and taxes, charged by the Intermediary in connection with dealings for the Client in ASX Derivative Products at the rates determined by the Intermediary from time to time and notified to the Client in writing; and
- (b) commissions, fees, charges, and taxes in connection with dealings for the Client in ASX Derivative Products (including for the transfer of Underlying Financial Products following the exercise of an Options CCP Contract) at the rates determined by Openmarkets from time to time and notified to the Client in writing.

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

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

5. Moneys and default

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

Openmarkets must deal with any money and property paid or given to Openmarkets in connection with the Openmarkets/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 Openmarkets may under the ASX Clear Rules be combined and deposited by

Openmarkets in a trust account or clients' segregated account. The Client acknowledges that all monies credited to the clients' segregated account maintained by Openmarkets may be used by Openmarkets to meet the default of any client of Openmarkets.

- (b) Despite clause (a), Openmarkets agrees that it will only pay the Client's monies into a trust account.

5.3 Set Off

Openmarkets is entitled to set off any monies received from the sale of financial products on the Client's behalf against any monies due to Openmarkets 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 Openmarkets 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 Openmarkets;
- (d) in the absence of the Client making alternative arrangements, the Client is at any time not contactable by the Intermediary immediately in order for Openmarkets 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 Intermediary 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 Option CCP Contract;
- (g) a guarantee or other security provided by the Client to Openmarkets is withdrawn or becomes ineffective and other replacement security acceptable to Openmarkets is not provided;
- (h) the Client "fails to settle" for the purpose of the terms of the Client's agreement with Openmarkets in relation to the execution, clearing and settlement of transactions in financial products quoted on ASX or other Market Transactions; or
- (i) any other event occurs which Openmarkets and the Client have agreed in this agreement constitutes a default, (each a default), Openmarkets 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, Openmarkets 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 Openmarkets 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 Openmarkets sees fit, whether or not the Client is permitted under clause 1.1 to place an Order in respect of that kind of transaction);
- (m) sell or cause to be sold:
 - i. any or all of the Client's property, including any security lodged with Openmarkets (whether the property or security had been lodged with Openmarkets in connection with this agreement or for any other reason) or held by Openmarkets or its Related Bodies Corporate on behalf of the Client or in a Holding in respect of which Openmarkets, its nominee company or a Related Body Corporate of Openmarkets is the Controlling Participant; and
 - ii. any financial products held by Openmarkets in an account for the Client or otherwise held (including any financial products in a Holding in respect of which Openmarkets, its nominee company or a Related Body Corporate of Openmarkets is the Controlling Participant);
- (n) exercise any other power, right or remedy which Openmarkets may have under this agreement or in law or equity;
- (o) exercise or cause to be exercised any other rights conferred by the ASIC Market Integrity Rules, ASX Operating Rules, the ASX Clear Rules or this agreement or perform any other obligations arising under the ASIC Market Integrity Rules, 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 Openmarkets 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 Openmarkets or the Intermediary on the Client's account or to which they have access (including any amount held), or payments received from the Client in reduction of the Client's liability to Openmarkets; or



- (s) cancel any of the Client's unexecuted orders, and the Client must account to Openmarkets 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 Openmarkets in the event of a default, the Client authorises Openmarkets 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 in respect of which Openmarkets, its nominee company or a Related Body Corporate of Openmarkets is the Controlling Participant, or held by Openmarkets, 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 Openmarkets to realise those financial products or funds and apply the proceeds in reduction of the Client's liability to Openmarkets and to recover Openmarkets' costs in so acting.

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

Openmarkets will not be liable to the Client for any failure by Openmarkets to exercise (or any delay in the exercise by Openmarkets of) any power under this clause, or any loss incurred by the Client as a result of Openmarkets 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 Openmarkets, 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 Openmarkets any amount owing to Openmarkets in respect of that contract. If the Client fails to make that payment within the time specified by Openmarkets (which time is of the essence), Openmarkets may deal with any of the Client's money or other property held by Openmarkets and apply the proceeds against that amount.

5.6 Assignment to the Intermediary of amounts owing

If the Client has not paid any amount due to Openmarkets under this agreement, in addition to its rights under clause 5.4, Openmarkets may assign that debt to the Intermediary and the assigned debt will become an obligation of the Client's to the Intermediary and the Intermediary (and each of its directors and employees) will have the rights and powers (and may do all the things) set out in clause 5 as if a reference to Openmarkets were a reference to the Intermediary.

5.7 Method of Payment

Where money is payable to Openmarkets by the Client (for example where Openmarkets 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 Openmarkets or the Intermediary (such as a confirmation or notice as the case may be) bears a Biller Code. Payment by this means will only be acceptable to Openmarkets if the Client quotes the relevant Biller Code and its BPAY reference number.

5.8 Release

In consideration of Openmarkets entering into this agreement with the Client, the Client releases Openmarkets (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 Openmarkets 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 Openmarkets 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 Openmarkets, 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 Openmarkets 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 these this agreement in substitution for Openmarkets;
- (b) any rights of Openmarkets are transferred to the new Participant; and
- (c) Openmarkets 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 Openmarkets Cover) provided to Openmarkets 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 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 Openmarkets' 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 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 Openmarkets 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 Openmarkets 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 Openmarkets 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

6.2 Explanatory Booklet and other documents [ASIC Minimum Term 3.1.7(1)(b) and 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 Operating 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 Openmarkets taking opposite position [ASIC Minimum Term 3.1.7(1)(d)(ii) and ASX Clear Minimum Term 5]

The Client acknowledges that Openmarkets may, in certain circumstances permitted under the Corporations Act and the ASX Operating 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 each Derivatives Transaction executed by Openmarkets and each confirmation (contract note/daily statement) dispatched to the Client by Openmarkets on its own behalf or on behalf of the Intermediary is subject to:

- (a) the terms and conditions of this agreement;
- (b) the directions, decisions and requirements of ASX, the ASIC Market Integrity Rules, the ASX Operating Rules, the ASX Clear Rules 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.

The Client authorises Openmarkets to provide any confirmation electronically. If the Client is a Wholesale Client for the purposes of the ASIC Market Integrity Rules, Openmarkets may elect not to give any confirmation to the Client in relation to Derivatives Transactions executed for the Client.

6.6 Cancellation of trades

The Client authorises Openmarkets, and agrees that Openmarkets 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 requested to do so by the Intermediary in circumstances contemplated by the ASX Operating Rules (as if the Intermediary were a Trading Participant that executed the Order to which the Derivatives Transaction relates);
- (b) 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
- (c) 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 Openmarkets 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.

6.7 OTC [ASX Clear Minimum Term 17]

The Client acknowledges that it may only transact in OTC Options Market Transactions if it is not a U.S. person as that term is defined in Rule 902(k) of Regulation S under the Securities Act 1933 (United States.)

7. Information

7.1 Provision of Information [ASX Minimum Term 3 and ASX Clear Minimum Term 2]

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

7.2 Tape recording of conversations [ASIC Minimum Term 3.1.7(1)(d)(iv) and ASX Clear Minimum Term 9]

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

8. Allocation (give up)

8.1 Openmarkets must consent to any give up

The Client acknowledges and agrees that that Openmarkets is obliged as principal and has the Clearing Obligations in respect of all transactions in relation to ASX Derivative Products which are executed by Openmarkets (or by another Trading Participant and then allocated or transferred to Openmarkets as contemplated by clause 8.3 below) 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) Openmarkets has consented to the allocation of the Derivatives Contract to that other Participant;
- (c) Openmarkets 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 Openmarkets 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 Openmarkets) 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 Openmarkets to the other Participant in accordance with the ASX Clear Rules.

8.3 Give up to Openmarkets and similar arrangements

The Client acknowledges that Openmarkets and the Intermediary may make arrangements under which Derivatives Contracts executed by a Trading Participant other than Openmarkets on behalf of the Client, are:

- (a) allocated to Openmarkets as Clearing Participant for that Trading Participant;
- (b) allocated to Openmarkets as contemplated by ASX Clear Operating Rule 11.1; or
- (c) transferred to Openmarkets as contemplated by ASX Clear Operating Rule 13.1.

The Client agrees that the provisions of this agreement will apply to any Derivatives Contracts which are allocated or transferred to Openmarkets under any such arrangements, unless the Client and Openmarkets have entered into a separate agreement in respect of any such Derivatives Contracts.

9. Indemnity

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

- (a) Openmarkets acting as Trading Participant or Clearing Participant for the purposes of the ASIC Market Integrity Rules, ASX Operating Rules or the ASX Clear Rules as contemplated by this agreement;
- (b) the performance by Openmarkets 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 [ASIC Minimum Term 3.1.7(2) and ASX Clear Minimum Term 11]

Either the Client or Openmarkets 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 Minimum Term 5 and ASX Clear Minimum Term 12]

Termination does not affect the existing rights and obligations of the Client or Openmarkets at or prior to termination. Upon termination of this agreement, Openmarkets will close out all Derivatives Contracts held by Openmarkets 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 or ASX Clear [ASX Minimum Term 6 and ASX Clear Minimum Term 13]

If ASX or ASX Clear prescribes amended minimum terms for a Client Agreement for the purposes of the ASX Operating Rules or 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 Openmarkets had entered into an agreement containing the New Terms.

11.2 Openmarkets to provide Client with copy of changes [ASX Minimum Term 7 and ASX Clear Minimum Term 14]

Openmarkets 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, Openmarkets may, without notice to the Client, combine any account that the Client holds at any branch or office (in Australia or elsewhere) of Openmarkets with, or set off any amount in any currency that is or may become owing in any currency by Openmarkets (or any Related Body Corporate or Openmarkets) to the Client against, any amount owing by the Client to Openmarkets (or any Related Body Corporate of Openmarkets). For this purpose Openmarkets 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 Openmarkets 's usual practice; and

- (c) do anything (including execute any document) in the name of the Client that Openmarkets 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 Openmarkets on the Client, or served by the Client on Openmarkets 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 Openmarkets 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 Openmarkets or by the Intermediary on Openmarkets' behalf.

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

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

Openmarkets may reserve the right to refuse any instruction transmitted by facsimile.

14. Authority [ASIC Minimum Term 3.1.7(1)(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.

15. Representations and warranties as to capacity

The Client represents and warrants to Openmarkets 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:
 - i. it has the right to be indemnified out of the assets of the trust for all liabilities incurred under this agreement;
 - ii. it will remain the owner of the Openmarkets Cover unless it disposes of them in accordance with this agreement;
 - iii. Openmarkets can be subrogated to its right of indemnity;
 - iv. the transactions contemplated by this agreement are for the benefit and in the best interests of the beneficiaries of the trust; and
 - v. it has properly exercised its trust powers and has full authority under the trust to enter into the document containing 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 Openmarkets) 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 Openmarkets in relation to Openmarkets Cover of the Client or in relation to the Derivatives Transactions or Derivatives Contracts including to directing or consenting to dealing by Openmarkets in any Openmarkets 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 Openmarkets. 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 Openmarkets against any liability, damage, cost or expense incurred by Openmarkets 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 Openmarkets from the Client or any person purporting to be the Client or the Client's Authorised Representative or agent.

17. No advice

17.1 Openmarkets does not provide financial product advice

The Client acknowledges that Openmarkets does not provide financial product advice, and Openmarkets does not accept responsibility for any financial product advice given to the Client by the Intermediary, and the Client must not represent to any person that Openmarkets 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 Intermediary, the Client must provide the Intermediary with:

- (a) all information (and documentation) regarding the Client's financial situation, investment objectives and particular needs sufficient and necessary for the Intermediary 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.

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

Openmarkets has various rights under this agreement, including:

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

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

18. General

18.1 Costs and Taxes

The Client will pay Openmarkets 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 Openmarkets or payable by Openmarkets 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 Openmarkets

A statement by Openmarkets 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 Openmarkets in exercising any right, power or remedy under this agreement and no course of dealing between Openmarkets 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) Openmarkets 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 Openmarkets 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. Openmarkets may assign or transfer its rights under this agreement or in relation to any Openmarkets Cover without the consent of the Client and free from any rights of set-off or counterclaim. Subject to the ASX Operating Rules, the ASX Clear Rules and the ASX Settlement Rules, Openmarkets 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 Openmarkets 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 Openmarkets and each officer of Openmarkets 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 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 Openmarkets are entitled to act on the instructions of any one of those persons.

18.9 Supervening legislation

Any present or future legislation which operates to vary the obligations of the Client in connection with this agreement, Openmarkets Cover with the result that Openmarkets' 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.

18.10 No withholding

All payments to be made to Openmarkets 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 Openmarkets such additional amount as will result in Openmarkets receiving the full amount which would have been received if the deduction or withholding had not been made.

18.11 Currency

All payments under this agreement are to be made in Australian dollars, except as Openmarkets 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 Openmarkets in another currency which, upon conversion of the other currency into Australian dollars, is less than the amount which would have been received by Openmarkets if paid in Australian dollars, then the Client must as an independent obligation indemnify Openmarkets on demand against the deficiency.

18.12 Recovery of GST

If GST has application to any Supply made under or in connection with this agreement, Openmarkets 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 Openmarkets, whether such demand is by invoice or otherwise. To the extent that any party to the Terms (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.

18.13 Governing law

This agreement are governed by the law in force in New South Wales and the Client, Openmarkets 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:

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

ASIC Market Integrity Rules means ASIC Market Integrity Rules (Securities Markets) 2017 (made by ASIC under section 798G(1) of the Corporations Act).

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 Ltd ABN 48 001 314 503.

ASX Clear Rules means the operating rules of ASX Clear as in force 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.

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 in force from time to time.

Authorised Representative means each of the persons stated in the application form (or subsequently notified by the Client to Openmarkets in a form acceptable to Openmarkets) 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 ASIC Market Integrity Rules and the ASX Operating Rules

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

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

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 Intermediary and the Client, as the context requires.

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

Intermediary means an AFSL holder or an authorised representative of the AFSL holder who the Client instruct to place an Order with Openmarkets.

Order means an order or instruction in respect of a client or the Intermediary 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.

Openmarkets 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.

Other words and phrases defined in the ASIC Market Integrity Rules, 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 Openmarkets' 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 Openmarkets 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 Openmarkets to the contrary, each such person shall be deemed to be the agent of the others.