

# Portfolio Administration Service Application form



Welcome to Austock Securities Limited (AFSL No. 244410 - ABN 51 053 513 438)

If you are an existing Austock client, opening a PAS is easy. Firstly ensure you have read the Term and Conditions section, then complete and sign the application form. Please return the application form section to your adviser along with details of existing investments to be transferred.

If you are a new Austock client, speak with one of our professional advisers to open an equities account, establish your specific investment objectives and agree on your financial strategy. Once this is agreed, we can assist you to open your PAS and transfer any existing holdings to your Austock account.

As added assurance, any transfer of securities registered under your own name to PAS will not trigger any capital gains tax event. Your adviser will contact you once your account has been established with your online access details.

For further information or to speak with one of our advisers please call 1800 806 362 or visit our website, [www.austock.com](http://www.austock.com)

## 1. Please ensure you have read and understood

- Austock Securities Portfolio Administration Service Terms and Conditions (p.6)
- Austock Securities CHESS Sponsorship Terms and Conditions (p.7)

## 2. Please ensure

- You have completed the application form (p.2)
- You have signed and dated the application form (p.4)
- You have someone witness your signature on the application form (p.4)

## 3. Please return the signed documents together with

- A certified and legible copy of your driver's licence or passport containing your signature, residential address and photograph for each person authorised to operate on the account.
- A certified copy of a Power of Attorney (if the account is opened under Power of Attorney).
- A copy of the Trust Deed, if the account is a Trust or Superannuation Fund.

## 4. Return by mail your application form and related documentation to

Austock Securities Limited  
Level 12, 15 William Street  
Melbourne VIC 3000  
Australia

# Application Form

## Portfolio Administration Service

Austock Securities Limited AFSL No. 244410 - ABN 51 053 513 438

### INTERNAL OFFICE USE ONLY

Account number.....

Adviser code .....

### 1. Application Details

#### Applicant 1

|         |                      |               |                      |
|---------|----------------------|---------------|----------------------|
| Title   | <input type="text"/> | Date of Birth | <input type="text"/> |
| Name(s) | <input type="text"/> |               |                      |
| Surname | <input type="text"/> |               |                      |

#### Applicant 2

|         |                      |               |                      |
|---------|----------------------|---------------|----------------------|
| Title   | <input type="text"/> | Date of Birth | <input type="text"/> |
| Name(s) | <input type="text"/> |               |                      |
| Surname | <input type="text"/> |               |                      |

#### Applicant 3

|         |                      |               |                      |
|---------|----------------------|---------------|----------------------|
| Title   | <input type="text"/> | Date of Birth | <input type="text"/> |
| Name(s) | <input type="text"/> |               |                      |
| Surname | <input type="text"/> |               |                      |

### 2. Company Account (Directors details to be entered in Section 1 above)

|                      |     |                      |
|----------------------|-----|----------------------|
| <input type="text"/> | ABN | <input type="text"/> |
|----------------------|-----|----------------------|

### 3. Account Designation – i.e. Name of Super Fund / Family Account / Minor etc. (If applicable – Trustee / Executor details to be entered in Section 1 above)

### 4. Residential Address / Registered Office for Companies (Must complete this section – PO Box not acceptable)

|             |                      |           |                      |
|-------------|----------------------|-----------|----------------------|
| Unit        | <input type="text"/> | Street no | <input type="text"/> |
| Street name | <input type="text"/> |           |                      |
| Suburb      | <input type="text"/> | Postcode  | <input type="text"/> |
| State       | <input type="text"/> | Country   | <input type="text"/> |

### 5. Postal Address (If different from above)

|             |                      |           |                      |
|-------------|----------------------|-----------|----------------------|
| Unit        | <input type="text"/> | Street no | <input type="text"/> |
| Street name | <input type="text"/> |           |                      |
| Suburb      | <input type="text"/> | Postcode  | <input type="text"/> |
| State       | <input type="text"/> | Country   | <input type="text"/> |

## 6. Contact Details – Preferred Contact

|                      |                      |
|----------------------|----------------------|
| <input type="text"/> |                      |
| Contact name         |                      |
| <input type="text"/> | <input type="text"/> |
| Business number      | Home number          |
| <input type="text"/> | <input type="text"/> |
| Mobile number        | Facsimile number     |
| <input type="text"/> |                      |
| Email address        |                      |

## Alternative Contact

|                      |                      |
|----------------------|----------------------|
| <input type="text"/> |                      |
| Contact name         |                      |
| <input type="text"/> | <input type="text"/> |
| Business number      | Home number          |
| <input type="text"/> | <input type="text"/> |
| Mobile number        | Facsimile number     |
| <input type="text"/> |                      |
| Email address        |                      |

## 7. Which PAS Option Would You Like?

Classic       Gold

## 8. Authority to Third Party

You may wish to appoint a third party (e.g. Spouse, accountant, financial planner) to operate your account. By appointing such a third party, the Applicant/s agrees that Austock Securities may discuss the account with that person and may take instructions for the purchase and sale of securities from that person.

|                 |                      |               |                      |
|-----------------|----------------------|---------------|----------------------|
| Title           | <input type="text"/> | Date of Birth | <input type="text"/> |
| Name(s)         | <input type="text"/> |               |                      |
| Surname         | <input type="text"/> |               |                      |
| Business number | <input type="text"/> | Mobile number | <input type="text"/> |

*Note: A certified and legible copy of the third party drivers licence or passport page containing your signature, residential address and photograph is to be provided.*

|                                    |
|------------------------------------|
| <input type="text"/>               |
| Signature of Third Party Authority |

|                         |
|-------------------------|
| <input type="text"/>    |
| Signature of Applicants |

## 9. Residency Details

Are you an overseas resident for tax purposes?  Yes  No

If yes, please state country of residence

## 10. Tax File Number

|                      |
|----------------------|
| <input type="text"/> |
| Applicant 1          |

|                      |
|----------------------|
| <input type="text"/> |
| Applicant 2          |

|                      |
|----------------------|
| <input type="text"/> |
| Applicant 3          |

### 11. Executed as an agreement

By signing this form, you declare that:

- (a) You agree to and accept the enclosed Austock Securities Portfolio Administration Service Terms & Conditions (p.6)
- (b) You agree to become broker sponsored and accept the enclosed CHESS Sponsorship Terms & Conditions (p.7)
- (c) All the information which you have provided to us is complete and accurate.
- (d) You request Austock change your registered address to:  
C/- Austock Securities Limited, Level 12, 15 William Street, Melbourne, Victoria, 3000.

### 12. Power of Attorney

By signing this form, you hereby appoint Austock Securities Limited ABN 51 053 513 438 ("Austock") of Level 12, 15 William Street, Melbourne in the state of Victoria and each officer or employee duly authorised in writing by Austock to be my attorney and on my behalf and as my agent, to do all things that I may lawfully do in connection with the Austock Portfolio Administration Service Agreement, including (without limitation):

- (a) Effect settlement of all purchases and sales of financial products on my behalf;
- (b) Subscribe for and transfer financial products on my behalf;
- (c) Make withdrawals from, and payments to, my nominated bank account;
- (d) receive notices from, and give instructions to, any issuer of financial products and any registry acting on behalf of an issuer of financial products;
- (e) execute and deliver documents. I hereby indemnify Austock against all claims, demands, costs, damages, losses and expenses arising as a result of exercising the power granted. I declare that this Power of Attorney shall continue to operate and have full force and effect until the Power of Attorney is revoked by me in writing or on the termination of the Austock Securities Portfolio Administration Service Agreement.

### 13. Execution by Individual / Joint Holders / Trustees / Executors

*Note: A certified and legible copy of your drivers licence or passport page containing your signature, residential address and photograph is to be provided.*

| <b>Applicant 1</b>  | <b>Applicant 2</b>  | <b>Applicant 3</b>  |
|---|---|---|
| <div style="border: 1px solid black; width: 100%; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 5px;"> <span style="font-size: 24px; font-weight: bold;">X</span> </div> <p style="margin: 0;">Signature</p> <div style="border: 1px solid black; width: 100%; height: 20px; margin-top: 5px;"></div> <p style="margin: 0;">Print name</p>            | <div style="border: 1px solid black; width: 100%; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 5px;"> <span style="font-size: 24px; font-weight: bold;">X</span> </div> <p style="margin: 0;">Signature</p> <div style="border: 1px solid black; width: 100%; height: 20px; margin-top: 5px;"></div> <p style="margin: 0;">Print name</p>            | <div style="border: 1px solid black; width: 100%; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 5px;"> <span style="font-size: 24px; font-weight: bold;">X</span> </div> <p style="margin: 0;">Signature</p> <div style="border: 1px solid black; width: 100%; height: 20px; margin-top: 5px;"></div> <p style="margin: 0;">Print name</p>            |
| <i>Note: Witness's signature required</i>   |   |   |
| <div style="border: 1px solid black; width: 100%; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 5px;"> <span style="font-size: 24px; font-weight: bold;">X</span> </div> <p style="margin: 0;">Signature of witness</p> <div style="border: 1px solid black; width: 100%; height: 20px; margin-top: 5px;"></div> <p style="margin: 0;">Print name</p> | <div style="border: 1px solid black; width: 100%; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 5px;"> <span style="font-size: 24px; font-weight: bold;">X</span> </div> <p style="margin: 0;">Signature of witness</p> <div style="border: 1px solid black; width: 100%; height: 20px; margin-top: 5px;"></div> <p style="margin: 0;">Print name</p> | <div style="border: 1px solid black; width: 100%; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 5px;"> <span style="font-size: 24px; font-weight: bold;">X</span> </div> <p style="margin: 0;">Signature of witness</p> <div style="border: 1px solid black; width: 100%; height: 20px; margin-top: 5px;"></div> <p style="margin: 0;">Print name</p> |
| <div style="display: flex; align-items: center; margin-top: 5px;"> <span style="font-size: 24px; font-weight: bold; margin-right: 5px;">▶</span> <span style="border: 1px solid black; width: 150px; height: 20px; flex-grow: 1;"></span> </div> <p style="margin: 0;">Date</p>   | <div style="display: flex; align-items: center; margin-top: 5px;"> <span style="font-size: 24px; font-weight: bold; margin-right: 5px;">▶</span> <span style="border: 1px solid black; width: 150px; height: 20px; flex-grow: 1;"></span> </div> <p style="margin: 0;">Date</p>   | <div style="display: flex; align-items: center; margin-top: 5px;"> <span style="font-size: 24px; font-weight: bold; margin-right: 5px;">▶</span> <span style="border: 1px solid black; width: 150px; height: 20px; flex-grow: 1;"></span> </div> <p style="margin: 0;">Date</p>   |

**Execution by a Company** (If sole Director please indicate)

*Note: A certified and legible copy of your drivers licence or passport page containing your signature, residential address and photograph is to be provided.*

▶

Signature of Director

Print name

Signature of Director/Secretary

Print name

*Note: Witness's signature required*

▶

Signature of witness

Print name

Signature of witness

Print name

▶ Date

Date

**INTERNAL OFFICE USE ONLY**

**Execution By Sponsoring Participant**

Signed for Austock Securities Limited ABN 51 053 513 438 by an authorised officer.

Signature of Authorised Officer.....

Signature of Witness.....

Print name.....

Print name.....

# Terms and Conditions

## Austock Securities Limited – Portfolio Administration Service

The following Terms & Conditions set out the basis on which you engage Austock Securities Limited (“Austock”, “we” or “us”) to provide you with a Portfolio Administration Service.

### 1. Appointment of Austock

The client appoints Austock to provide the Portfolio Administration Service described in clause 2 below (“PAS”) and Austock accepts that appointment, subject to these Terms and Conditions.

### 2. Management Service

Austock will provide the following services to the client:

- (a) Austock will establish and maintain records of the client's investment portfolio and all transactions affecting the client's investment portfolio;
- (b) Austock will provide the client with reports summarising Austock's records of the client's investment portfolio and all transactions affecting the client's portfolio. The reports will usually be dispatched to the client within 10 business days after the end of each quarter;
- (c) Austock will make available to the client via Austock's website, access to reports produced by Austock from time to time in relation to the client's investment portfolio;
- (d) On instructions from the client (including standing instructions given by the client from time to time), Austock will effect transactions and perform all administrative functions and corporate actions in relation to the client's investment portfolio;
- (e) Austock will provide the client with appropriate allocations of shares in new floats and capital raisings, having regard to the client's personal circumstances and Austock's allocation policy in relation to each particular float or capital raising.

### 3. Acknowledgements by the Client

- (a) Austock has no discretion in relation to transactions affecting the client's investment portfolio and will act only on the client's instructions.
- (b) In establishing and maintaining records of the client's investment portfolio and transactions affecting the client's portfolio, Austock will rely on information supplied by the client and third parties. Austock is not liable for any loss or damage suffered by the client as a result of inaccurate information supplied to Austock by the client or third parties.
- (c) All Chess eligible investments in the client's investment portfolio will be held in the Chess facility subject to the terms of the Austock sponsorship agreement executed by the client.
- (d) Any investments in the client's portfolio which are not Chess eligible investments may be held under a custodial arrangement with a third party at additional cost to the client.
- (e) All moneys deposited by the client with Austock or received by Austock on behalf of the client (including dividends, proceeds of sales and other income or capital returns from the client's investment portfolio) will be deposited into the client's linked cash management account.

### 4. Obligations of the Client

The client must complete, sign and return to Austock:

- (a) All documentation necessary to open an account with Austock;
- (b) All documentation (including a sponsorship agreement) necessary to have all Chess eligible investments in the client's investment portfolio broker sponsored by Austock;
- (c) All documentation necessary to open a linked cash management account (with Austock's preferred supplier) and appointing Austock as the client's primary broker to the account.

(d) A restricted power of attorney authorising Austock to perform all functions necessary for it to provide the client with the PAS.

### 5. Fees Payable to Austock

The client agrees to pay the following fees to Austock:

**Management Fee** – The management fee is calculated in arrears on a quarterly basis and is based on the value of the client's investment portfolio at the end of each quarter, subject to the minimum fee. The management fee shall be equal to the sum of the following:

| Funds Under Management  | Classic | Gold   |
|-------------------------|---------|--------|
| 0 - \$500,000           | 1.00%*  | 1.25%* |
| \$500,000 - \$1,000,000 | 0.75%   | 1.00%  |
| \$1,000,000 +           | 0.50%   | 0.75%  |

*Note: brokerage fees are not included in the administration fee and are negotiable between you and your adviser. All fees quoted exclude GST.*

*\* A minimum quarterly administration fee applies: Classic \$460 and Gold \$560*

**Exit Fee** – If you decide to terminate the PAS within 12 months after commencement of the service, an exit fee of \$1,000.00 may be charged by Austock in addition to any quarterly management fees that may have accrued.

**Other fees** – Austock reserves the right to charge the client for the development of customised reports or for the provision of non standard services.

The client authorises Austock to deduct all fees from the clients linked cash management account as required. Where these are insufficient funds in the client's cash management account to meet such fees, Austock is authorised to liquidate a portion of the client's investment portfolio to meet and pay those fees.

### 6. Termination

This agreement may be terminated by either party upon giving one months notice in writing to the other subject to the payment of any accrued fees, including any early exit fee. In the event that fees owed by the client to Austock remain unpaid for a period of no less than 30 days after the date they became due and payable, Austock may immediately terminate the agreement by giving notice in writing to the client.

# CHESSE Sponsorship Terms and Conditions

## Austock Securities Limited

### 1. Interpretation

- 1.1 Any term used in this Agreement which is defined in the ASX Settlement Operating Rules has the meaning given in the Rules.

### 2. Mandatory Provisions

#### 2.1 Participant Rights

- 2.1.1 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.
- 2.1.2 Subject to Clause 2.1.3, 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.
- 2.1.3 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 will include brokerage and stamp duty.
- 2.1.4 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).

#### 2.2 Participant Sponsored Holder's Rights

- 2.2.1 Subject to Clauses 2.1.3 and 2.1.4, 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.
- 2.2.2 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.
- 2.2.3 Austock Securities Limited is a holder of an Australian Financial Services Licence under the Corporations Act 2001 which is regulated by the Australian Securities and Investments Commission ("ASIC"). As a Market Participant of ASX Group Ltd ("ASX"), Austock Securities Limited is also bound by the ASX Market Operating Rules, ASX Settlement Operating Rules and the ASX Clear Operating Rules. The Participant Sponsored Holder can obtain information as to the status of Austock Securities Limited from ASIC.
- 2.2.4 The Participant Sponsored Holder may lodge a complaint against Austock Securities Limited or any claim for compensation with the Financial Ombudsman Service ("FOS"). The FOS toll free number is 1300 780 808.

### 3. Other Rights And Duties

#### 3.1 Supply Of Information

- 3.1.1 The Participant Sponsored Holder will supply all information and supporting documentation which is reasonably required to permit the Participant to comply with the registration requirements, as are in force from time to time, under the ASX Settlement Operating Rules.

#### 3.2 Exchange Traded Options, Pledging And Sub-Positions

- 3.2.1 Where the Participant Sponsored Holder arranges with ASX Clear to lodge Derivatives Cover in a Participant Sponsored Holding, and informs the Participant of the arrangement, the Participant Sponsored Holder authorises the Participant to

take whatever action is reasonably required by ASX Clear in accordance with the Rules to give effect to that arrangement.

- 3.2.2 Where the Participant Sponsored Holder arranges with any person to give a charge or any other interest in 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.

- 3.2.3 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.

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

#### 3.3 Fees

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

### 4. Mandatory Notifications And Acknowledgments

- 4.1 The Participant Sponsored Holder acknowledges that if the Participant is not a Market Participant 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.

- 4.2 The Participant Sponsored Holder acknowledges that if a Transfer is taken to be effected by the Participant under Section 9 of the ASX Settlement Operating Rules and the Source Holding for the Transfer is a Participant Sponsored Holding under the Sponsorship Agreement, then:

(a) the Participant Sponsored Holder may not assert or claim against ASX Settlement 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 Market Participant of ASX or a Clearing Participant of ASX Clear, 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.

- 4.3 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 ASX Settlement.

- 4.4 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, or by the liquidator, receiver, administrator or trustee of that Participant:

(a) the Participant Sponsored Holder has the right, within twenty (20) Business Days of ASX Settlement giving Notice of suspension, to give notice to ASX Settlement 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 4.4.(a), ASX Settlement 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.
- 4.5 The Participant Sponsored Holder acknowledges that before the Participant Sponsored Holder executed the Sponsorship Agreement, the Participant provided the Participant Sponsored Holder with an explanation of the effect of the Sponsorship Agreement and that the Participant Sponsored Holder understood the effect of the Sponsorship Agreement.
- 4.6 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 ASX Settlement Operating Rules, unless the Participant Sponsored Holder's legally appointed representative or trustee elects to remove the Participant Sponsored Holdings from the CHESS Subregister.
- 4.7 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 4.6.
- FOR JOINT HOLDINGS ONLY
- 4.8 The Participant Sponsored Holder acknowledges that in the event of the death of one of the Holders, the Participant will transfer all Holdings under the joint Holder Record into new Holdings under a new Holder Record in the name of the surviving Participant Sponsored Holder/s, and that this Sponsorship Agreement will remain valid for the new Holdings under the new Holder Record.
- 4.9 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 CHESS 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 ASX Settlement 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.
- 5. Change Of Controlling Participant**
- 5.1 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 5.2 or 5.3.
- 5.2 The Participant Sponsored Holder may choose to terminate the Agreement by giving Withdrawal Instructions under the ASX Settlement Operating Rules to the Controlling Participant, indicating whether the Participant Sponsored Holder wishes to:
- (a) transfer its Participant Sponsored Holding to another Controlling Participant; or
- (b) transfer its Participant Sponsored Holding to one or more Issuer Sponsored Holdings.
- 5.3 If the Participant Sponsored Holder does not take any action to terminate the agreement in accordance with 5.2 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.
- 5.4 The novation in clause 5.3 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.
- 5.5 The Participant Sponsored Holder will be taken to have consented to the events referred to in clause 5.4 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.
- 5.6 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 5.3 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.
- 5.7 Nothing in this clause 5 will prevent the completion of CHESS 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 5.
- 6. Claims For Compensation**
- If a breach by the Sponsoring Participant of a provision of this Agreement falls within the circumstances specified under Division 4 of Part 7.5 of the Corporations Act 2001, 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 make a claim on the National Guarantee Fund or for information on the National Guarantee Fund generally, contact the Securities Exchange Guarantee Corporation Limited).
- 7. Termination**
- 7.1 Subject to the ASX Settlement Operating 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 the Agreement;
- (b) upon the Participant becoming insolvent;
- (c) upon the termination or suspension of the Participant; or
- (d) upon the giving of Withdrawal Instructions by a Participant Sponsored Holder to a Controlling Participant in accordance with Rule 7.1.10(c).
- 7.2 Termination under Clause 7.1(a) will be effective upon receipt of Notice by the other party to the Agreement.

## **8. Variation**

- 8.1 Should any of the provisions in this Agreement be inconsistent with the provisions in the ASX Settlement Operating Rules, the Participant will, by giving the Participant Sponsored Holder not less than 7 Business Days written Notice, vary the Agreement to the extent to which in the Participant's reasonable opinion is necessary to remove any inconsistency.

## **9. Pershing Financial Services Terms Of Sponsorship Agreement**

- 9.1 Austock Securities Limited is a party to an Equities and Derivatives Clearing Agreement with Pershing Securities Australia Pty Ltd (Pershing). Pershing is obliged to settle as principal and has the settlement obligations for all ASX Transactions and Derivatives Contracts of Austock Securities Limited and all ASX Transactions following the exercise of a Derivatives Contract (including the client's transactions);
- 9.2 Pershing will now administer the client's Participant Sponsored Holdings on behalf of Austock Securities Limited but Austock Securities Limited remains responsible to the Client for any actions or matters done or omitted to be done in respect of the client's Participant Sponsored Holdings;
- 9.3 Subject to the following 2 paragraphs, Austock Securities Limited will initiate any Transfer, Conversion or other action necessary to give effect to Withdrawal Instructions within the Scheduled Time;
- 9.4 If Pershing demands that the Client pays for financial products but the contract for the purchase of those financial products, entered into on the client's behalf by Austock Securities Limited, remains unpaid, Austock Securities Limited may sell those financial products at the client's risk and expense (including any brokerage and stamp duty) and account to Pershing for the proceeds of the sale;
- 9.5 If the Client has not paid an amount to Pershing lawfully owed to Pershing, Austock Securities Limited may refuse to comply with the client's Withdrawal Instructions (but only to the extent necessary to retain in the client's holding sponsored under the client's Sponsorship Agreement with Austock Securities Limited, financial products with a value equal to 120% of the current market value of the amount claimed);
- 9.6 The Client must advise Austock Securities Limited if:
- (i) the client's details change;
  - (ii) the Client wishes to change its Controlling Participant under CHESS;
  - (iii) the Client becomes bankrupt;
  - (iv) the Client wishes to issue Withdrawal Instructions in relation to its sponsored holdings;
  - (v) the Client wishes to create Subpositions over its sponsored financial products;
  - (vi) the Client wishes to terminate its Sponsorship Agreement with the Correspondent;
  - (vii) the Client wishes to lodge financial products as Cover for open Derivatives Contracts written in the market for ASX Derivative Products conducted by ASX, and the Client must arrange for Austock Securities Limited to be notified in the event of the client's death.

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## **Please mail this Application Form**

**Austock Securities Limited**  
Level 12, 15 William Street  
Melbourne VIC 3000  
Australia

## **Contacts**

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