

# Terms and Conditions

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# General Terms

## Arrangements for the execution, clearing and settlement of trades

As a client of **EP Financial Services Pty Ltd** (Intermediary), you may from time to time wish to place Orders in Financial Products. The Intermediary has an agreement with UBS Securities Australia Limited ABN 62 008 586 481 (UBSSA) under which UBSSA agrees to provide execution, clearing and settlement services to clients of the Intermediary, such as you. UBSSA is a Trading Participant of ASX and Chi-X, a General Participant of ASX Clear and a General Settlement Participant of ASX Settlement.

This document sets out the general terms and conditions of your agreement with UBSSA in relation to the execution and settlement of Transactions on your behalf under this arrangement. Once the Intermediary (as your agent) has received from you an Order in Financial Products by means of a Transaction on a Relevant Exchange, an agreement is immediately deemed to come into existence between you and UBSSA on the General Terms and conditions set out in these General Terms. By placing an Order with the Intermediary you accept these General Terms.

### 1. Your relationship with UBSSA

1.1 You appoint UBSSA as your agent for the purpose of executing, clearing and settling Orders in accordance with these General Terms. You authorise UBSSA to:

- (a) open an account in your name; and
- (b) act on your instructions given to UBSSA by the Intermediary.

1.2 Methods of payment must be agreed between you and the Intermediary (on behalf of UBSSA) prior to the account being opened.

1.3 Your primary relationship will be with the Intermediary. Your relationship with UBSSA under these General Terms will be limited to the execution of Orders and the clearing and settling of Transactions, and if applicable, the provision of general advice only.

1.4 Unless otherwise agreed, you acknowledge that UBSSA will not provide financial product advice, or legal, tax, financial or accounting advice or make any financial product recommendations to you as part of the service to be provided to you under these arrangements. UBSSA will not provide you with any personal financial product advice.

1.5 Whenever you place an Order with the Intermediary, which is executed by UBSSA, UBSSA carries the obligations to complete the Transaction arising from those orders, together with all obligations, which are ancillary to the completion. Accordingly, your settlement obligations in relation to Transactions are owed directly to UBSSA (and not to the Intermediary).

1.6 UBSSA is not an Authorised Deposit-Taking Institution under the Banking Act 1959 (Cth). The obligations of UBSSA do not represent deposits or other liabilities of UBS AG, and UBS AG does not stand behind, support or guarantee UBSSA in any way.

1.7 Notwithstanding any other provision of the General Terms, Sponsorship Terms or Derivative Terms, if UBSSA or any member of the UBS Group holds money in an account on your behalf in accordance with section 981B of the Corporations Act, UBSSA will be entitled to retain any interest payable on the money held in the account.

### 2. Orders and instructions

2.1 You agree that, if you wish to place any Order, you must do so with the Intermediary, and you authorise the Intermediary, as your agent (and not as the agent of UBSSA), to communicate your Order and other instructions or information to UBSSA.

2.2 UBSSA will not act on any Orders or other instructions or information communicated directly to it by you (and not through the Intermediary). You may only terminate the Intermediary's authority to act on your behalf under these General Terms by terminating this agreement.

2.3 You acknowledge that UBSSA may at any time, in its absolute discretion, refuse to accept any Order from, or execute Orders for, you.

2.4 Without limiting clause 2.3, you acknowledge that

UBSSA may at any time, refuse to accept any Order from, or execute Orders for, you where:

- (a) UBSSA considers it reasonably necessary in order to protect its legitimate interests; or
- (b) your Order includes instructions which are not consistent with UBSSA's Best Execution Arrangements (for example, instructions that your Order be executed only on a specified Relevant Exchange).

2.5 Subject to any instructions from you, UBSSA will generally execute Orders in the sequence in which they are received and in accordance with its Best Execution Arrangements. However, you acknowledge and agree that, while this is the case:

- (a) your Order may be automatically crossed against other orders (including a UBSSA principal order) before reaching the market, for example, through a UBS Crossing System;
- (b) you will be charged the normal rate of commission by the Intermediary for Orders which are crossed with UBSSA principal orders; and
- (c) UBSSA may not be aware of UBSSA principal orders that are being (or may be) executed, and that direct market access arrangements and program trading may make it impossible to prevent UBSSA principal orders from being executed at the same time as (or before) your Order. Accordingly, you agree that UBSSA may execute UBSSA principal orders where your Order on the same terms is outstanding.

You also acknowledge and agree that Orders in mFund Products are not subject to our Best Execution Arrangements, because mFund Products cannot be traded on a Relevant Exchange.

2.6 UBSSA may provide a direct market access service (**DMA Service**) to the Intermediary under which the Intermediary may place your Orders directly into the Trading Platform through an electronic automated client order process. You acknowledge that if UBSSA 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) you remain liable to settle the original Order, until any relevant amendment or cancellation is effected;
- (b) the execution of an Order placed through the DMA Service may be delayed by filters or other electronic features of the electronic system;
- (c) UBSSA is not responsible for the processing, execution or cancellation of any Orders submitted through the DMA Service,

regardless of who enters such Orders and regardless of whether or not there is an error in the Order entry or for any delays in relation to the same;

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

### 3. Conduct of Business

You acknowledge and agree:

- (a) to comply with these General Terms and all applicable legislation and the Exchange Rules, ASX Clear Operating Rules and ASX Settlement Operating Rules and the directions, decisions, the requirements of each Relevant Exchange and the customs and usages of each Relevant Exchange; and
- (b) that all Transactions are subject to the terms and conditions included in the confirmation issued by UBSSA (and, if applicable, on behalf of the Intermediary) and set out in these General Terms, and to the Exchange Rules, the ASX Clear Operating Rules, the directions, decisions, requirements, customs and usages of each Relevant Exchange and if the Order is in relation to Approved Financial Products, the ASX Settlement Operating Rules.

### 4. Cancellations

- 4.1 You acknowledge that a Relevant Exchange may cancel or amend (or request or agree to the cancellation or amendment of) any Transactions in accordance with the Exchange Rules applicable to the Relevant Exchange.
- 4.2 Your and UBSSA's settlement obligations in relation to the settlement of a cancelled Transaction, cease to apply from the time it is cancelled.

### 5. Settlement Date and Time

- 5.1 You agree to meet your settlement obligations to UBSSA in respect of a Transaction by the time and date for settlement (**Settlement Date and Time**) shown on the relevant confirmation or such later time as may be approved by UBS in writing for a particular Transaction (or by the Intermediary on its behalf) or if no date and time are specified or no confirmation is given, the relevant date and time determined in accordance with the ASX Clear Operating Rules.
- 5.2 The Intermediary has no authority to extend the Settlement Date and Time.
- 5.3 You represent and warrant that before placing any Order with the Intermediary, you will be in a position to pay for any Financial Products purchased and (subject to clause 8) have a presently exercisable and unconditional right to vest any Financial Products sold in the buyer, to

enable settlement at the Settlement Date and Time. Further, you undertake that you will not take or permit to be taken any action, which would extinguish or compromise that right before settlement.

### 6. Purchases

- 6.1 If the Order that has been executed for you by UBSSA is a purchase (or an application for mFund Products), you must have sufficient moneys in your Account before the Order being placed and on the Settlement Date and Time, to meet your settlement obligations to UBSSA in full by the Settlement Date and Time. Any other method of payment must be agreed between you and the Intermediary (on behalf of UBSSA) before the Order being placed.
- 6.2 You acknowledge that UBSSA will (and you authorise UBSSA to) apply the funds (or the proceeds of the redemption of any units) in your Account to satisfy your settlement obligations in full. You acknowledge that you remain liable to UBSSA for any additional amount necessary to satisfy your settlement obligation (including any fail fees) in full.
- 6.3 Payment in cash is not acceptable.
- 6.4 Pending settlement by you in accordance with the provisions of the Corporations Act, the relevant confirmation constitutes notice to you that UBSSA may deposit the Financial Products described in the confirmation as security for a loan or other moneys you owe to UBSSA if UBSSA has received and paid for them on your behalf.

### 7. Sales

- 7.1 If the Order that has been executed for you by UBSSA is a sale, you will deliver to UBSSA (and not to the Intermediary) any Documents reasonably requested by UBSSA (or by the Intermediary on its behalf) to meet your settlement obligations.
- 7.2 If you have a Sponsorship Agreement with UBSSA, you irrevocably authorise UBSSA to apply any of your Participant Sponsored Holding sponsored by UBSSA to satisfy your settlement obligations arising from any Order executed by UBSSA on your behalf as contemplated by these General Terms.
- 7.3 Proceeds from sales will not be available to you until the latest of:
  - (a) the time and date for settlement shown on the relevant confirmation;
  - (b) the time at which all Documents required by clause 7.1 have been received by UBSSA in a form that will enable title to be transferred; and
  - (c) all amounts due and payable by you to UBSSA have been paid.

- 7.4 Sale proceeds and any other amounts payable to you by UBSSA will be paid directly to your Account unless alternative arrangements have been agreed between you and the Intermediary (on behalf of UBSSA). Sale proceeds will not be paid to a third party.

### 8. Sell Orders

You agree that whenever you place a sell Order with the Intermediary, you must inform the Intermediary whether or not your sell Order relates to a covered short sale – ie a sale where you have, at the time you place the sell Order with the Intermediary, a legally binding commitment from a securities lender to lend the securities to you under a Securities Lending Arrangement.

You also agree that, if the Intermediary grants you access to the DMA Service, whenever you place a sell Order, you must notify UBSSA through the DMA Service

whether or not the sell Order relates to a covered short sale. You acknowledge that UBSSA will not accept a sell Order placed by you through the DMA Service unless you have informed UBSSA through the DMA Service whether or not the sell Order relates to a covered short sale.

Where your sell Order relates to a covered short sale, you must also inform the Intermediary (or UBSSA through the DMA Service if applicable) at the time of placing the sell Order:

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

You acknowledge that the Intermediary (and UBSSA) will not be permitted to execute a sell Order for you unless you have notified the Intermediary (and the Intermediary on your behalf has notified UBSSA), or UBSSA through the DMA Service if applicable, of the information referred to above.

You agree that, each time you place a sell Order with the Intermediary (or through the DMA Service if applicable) and notify the Intermediary or UBSSA that the sell Order relates to a covered short sale, you will be taken to have warranted and represented to both the Intermediary and UBSSA that the sale will meet the requirements and conditions of the Corporations Act, Corporations Regulations and ASIC Class Orders (if any) (as amended from time to time) relating to covered short sales (including without limitation that you have obtained a legally binding commitment from a securities lender to lend the relevant securities to you under a Securities Lending Arrangement).

## 9. Confirmations

- 9.1 You will be given a written confirmation for each trade executed for you by UBSSA as required under the Corporations Act and the Market Integrity Rules. These may be in the form of a confirmation given jointly by the Intermediary and UBSSA.
- 9.2 You authorise UBSSA (on its own behalf and on behalf of the Intermediary) to dispatch confirmations to you electronically to the email address (if any) notified to UBSSA by the Intermediary on your behalf from time to time for this purpose.
- 9.3 You must promptly check the accuracy of every confirmation sent to you and notify the Intermediary immediately of any error that you consider may have occurred. If the Intermediary does not receive any such notification from you within 24 hours, you will be taken to have accepted the accuracy of the confirmation.
- 9.4 UBSSA may, at any time, reissue a confirmation in order to correct any errors or omissions and the terms and conditions of the reissued confirmation will apply.
- 9.5 Where UBSSA enters into multiple Transactions in order to complete your Order (on one or more Relevant Exchanges or otherwise), you authorise UBSSA to accumulate those Transactions on a single confirmation and to specify the volume weighted average price for those Transactions on that confirmation. If requested by you, UBSSA will, if required under the Market Integrity Rules, give you a statement of all the individual prices of the relevant Transactions which are accumulated and averaged in a confirmation.
- 9.6 Where the Exchange Rules require UBSSA to give you specific notifications about your transactions on a Relevant Exchange (such as Rule 3.4.3(1)(b) of the ASX Market Integrity Rules and the Chi-X Market Integrity Rules, which are applicable to non-retail clients only),

UBSSA will make the notifications available to you via FIX messages. While UBSSA will take all reasonable steps necessary to ensure that the notifications are made available, you acknowledge there may be circumstances beyond UBSSA's control that could result in delay or failure to make the notifications available. If you are not able to receive FIX messages, you agree that you will not receive such notifications. By entering into these General Terms, you agree and warrant to UBSSA that you are aware of the consequences of agreeing not to receive these notifications.

## 10. Fees and commission

- 10.1 The Intermediary will charge you commission in respect of any Transaction, which the Intermediary arranges for UBSSA to execute on your behalf at the rates notified to you from time to time. Any such commission may be calculated by reference to the number or value of Transactions which the Intermediary arranges for UBSSA to execute on your behalf. UBSSA will account to the Intermediary in respect of the amounts collected from you by UBSSA to which the Intermediary is entitled.
- 10.2 In addition, UBSSA may charge you other fees and charges, which are incurred by UBSSA on your behalf, for example fail fees.
- 10.3 While UBSSA will not directly charge any commission to you in relation to the execution of a Transaction, the Intermediary may pay UBSSA fees and charges as agreed between them from time to time in respect of the execution of trades or provision of general advice (if applicable) by UBSSA for the Intermediary's clients.
- 10.4 You acknowledge that you have been advised, when (or before) placing an Order, of UBSSA's fee arrangements with the Intermediary.

## 11. Failure to Settle

If you fail to meet any of your settlement obligations as required under these General Terms (or the relevant confirmation or any other agreement with UBSSA or the Intermediary), UBSSA may do one or more of the following:

- (a) retain any Financial Products held for you, moneys received on the sale of Financial Products for you or moneys due to you pending settlement of any Transaction;
- (b) set off any such moneys due to it or to the Intermediary against moneys held in any of your UBS Accounts for which it is authorised to transfer funds on your behalf and any moneys which UBSSA owes you under these General Terms or any other agreement;
- (c) recover from you all Loss suffered or incurred by it or the Intermediary as a result of your failure;
- (d) charge you a fee for failure to settle a Transaction (at the date of this agreement the applicable fail fees are the greater of \$50.00 and the fail fees charged to UBSSA by ASX Clear);
- (e) levy a default charge on the amount from time to time outstanding at a rate up to the rate which UBSSA would be required to pay on an overdraft facility with its then current bankers or UBSSA's cost of funds (whichever is greater);
- (f) use Financial Products owned by it, or obtain Financial Products from third parties (eg, by borrowing securities) to settle any sale executed on your behalf;
- (g) sell (or arrange for the sale of) any Financial Products otherwise held on your behalf by UBSSA and apply the proceeds to reduce

your liability to UBSSA or the Intermediary and to recover its costs in so acting;

- (h) apply any cash held in your name or on your behalf in any account with UBSSA from which UBSSA is authorised to withdraw funds to reduce your liability to UBSSA;
- (i) apply the proceeds of the redemption of any units in any cash trust held in your name or on your behalf (including, without limitation, your Account) which UBSSA is authorised to redeem to reduce your liability to UBSSA;
- (j) apply payments received for or from you to reduce your liability to UBSSA; and
- (k) cancel any of your unexecuted Orders.

## 12. PPS Act application

12.1 These General Terms may give rise to a Security Interest. The following clauses are intended to protect any interest UBSSA has in your financial products or your cash that arises under these General Terms.

12.2 To the extent the PPS Act allows them to be excluded, the enforcement provisions in sections 115(1) and 115(7) of the PPS Act do not apply to these General Terms. This means, for example, that unless the PPS Act requires otherwise:

- (a) UBSSA is not required to provide you with any notice under or in connection with the PPS Act, including but not limited to a notice in relation to the enforcement of any Security Interest that UBSSA may have in your financial products or your cash;
- (b) if UBSSA seizes any of your financial products or your cash by any method permitted by law, UBSSA may store, value and deal with that property at its discretion;
- (c) UBSSA is not required to provide you with a statement of account if UBSSA disposes of your property referred to above;
- (d) another person, with a security interest in financial products or cash that UBSSA may dispose of, may not redeem that property by paying an amount to discharge the obligations or by performing the obligations and by paying any related enforcement costs;
- (e) UBSSA may purchase any of your financial products or cash in any manner that UBSSA may determine including, but not limited to, by way of auction, public tender or acquisition for market value; or
- (f) a person cannot acquire any of your financial products or your cash free of any interest UBSSA has because UBSSA was required to give a notice in relation to that property and UBSSA did not.

12.3 To the extent that UBSSA has a Security Interest in any of your financial products or cash, you must do anything that UBSSA may require to enable UBSSA to perfect, if possible, its Security Interest by control.

12.4 Without limiting clause 12.3, if UBSSA has a Security Interest in one of your financial products that is an intermediated security for the purposes of the PPS Act, you agree that under this agreement UBSSA (or someone who has agreed to act on UBSSA's instructions) is able to send all communications by which each intermediated security can be dealt with.

12.5 You agree that, to the extent any UBS Group member holds a Security Interest under these General Terms, it may do so as trustee or agent on behalf of any other UBS Group member.

## 13. PPS Act confidentiality



13.1 You and UBSSA agree not to disclose the following information to any person who requests it:

- (a) a copy of these General Terms;
- (b) your obligations to UBSSA under these General Terms; or
- (c) details of the financial products or cash in which you may grant UBSSA a Security Interest under these General Terms,

unless:

- (d) you are in default under these General Terms; or
- (e) the information is requested by your auditor, if you are a body corporate.

13.2 You must not disclose the information described in clause 13.1 without UBSSA's prior written consent.

13.3 You acknowledge that nothing in this clause 13 prevents UBSSA from disclosing any information by UBSSA that it believes is necessary to comply with its other obligations under the PPS Act.

13.4 To the extent not inconsistent with clause 13.1 constituting a "confidentiality agreement", you also agree that UBSSA may disclose information of the kind mentioned in that clause to a person that UBSSA may be selling some of its assets to.

## 14. Indemnity

14.1 To the fullest extent permitted by law, you release, discharge and indemnify and agree to keep UBSSA and its officers, employees, agents and representatives indemnified from and against all sums of money, actions, proceedings, suits, Claims, demands, Losses and any other amounts whatsoever arising out of:

- (a) any default, whether by act or omission, of yours under these General Terms, the Sponsorship Terms, the Derivatives Terms or any Order or Transaction;
- (b) any breach by you of any applicable law including the Corporations Act, Exchange Rules, ASX Clear Operating Rules and ASX Settlement Operating Rules;
- (c) any representation or warranty made or given by you under these General Terms proving to be untrue or incorrect;
- (d) any error, omission, fraud, malfeasance, negligence, misappropriation or criminal act or omission by you;
- (e) any failure of any of your computer or electronic systems or networks or any telecommunications service used by you to perform, be available or successfully transmit data to UBSSA, or any error or inadequacy in the data or information input into such systems or networks by you;
- (f) anything lawfully done by UBSSA in accordance with or pursuant to these General Terms, the Sponsorship Terms or the Derivatives Terms;
- (g) any request or direction given by you (or by the Intermediary on your behalf);
- (h) UBSSA complying with any direction, request or requirement of a Relevant Exchange, the Corporations Act, ASIC or any other regulatory body having jurisdiction over it; or
- (i) UBSSA in good faith accepting and acting on instructions received by facsimile transmission which are signed by or purported to be signed by you.

14.2 This is a continuing indemnity and will survive the termination of these General Terms. UBSSA holds the benefit of this indemnity for itself and on trust for each of its officers, employees, agents and representatives.

14.3 You agree that UBSSA will not be liable to you for any losses, damages, costs and expenses, of any kind, resulting from or caused by:

- (a) acts or omissions of a Relevant Exchange (including the acts or omissions of their agents or representatives); or
- (b) any events or circumstances which UBSSA cannot reasonably control.

## 15. Amounts Owing

15.1 Where money is payable by you to UBSSA under these General Terms, the Derivatives Terms, and in relation to any Transaction, payment in cash is not acceptable.

15.2 A notice signed by any one of UBSSA's directors, managers or other authorised employees, stating the amount of money due and payable by you is prima facie evidence of that fact.

15.3 You acknowledge that UBSSA may, at any time, by notice to you and the Intermediary assign to the Intermediary any debt owed by you to UBSSA.

15.4 If UBSSA executes its right under clause 15.3, you will owe that debt to the Intermediary and the Intermediary (and each of its directors and employees) will have the rights and powers (and may do any of the things) set out in these General Terms as if a reference to UBSSA were a reference to the Intermediary.

## 16. Information

16.1 If UBSSA (or the Intermediary on its behalf) so requests, you must promptly give the Intermediary on UBSSA's behalf (or, if specified in the request, directly to UBSSA) information or documents specified in the request for the purposes of these General Terms, including to:

- (a) assess your application to open an account with either of them;
- (b) enable UBSSA to perform its obligations under these General Terms or to act as your CHES sponsor or agent under these General Terms or the Sponsorship Terms;
- (c) comply with the requirements of the Corporations Act, the Exchange Rules, ASX Clear Operating Rules, ASX Settlement Operating Rules, anti-money laundering laws and regulations and any other legal or regulatory requirement; and
- (d) allow UBSSA to communicate with third parties in connection with the matters contemplated by these General Terms.

16.2 In order for UBSSA to provide you with the services set out in these General Terms, you acknowledge and agree that:

- (a) you are required to provide UBSSA (or the Intermediary on its behalf) with certain Personal Information;
- (b) UBSSA or the Intermediary on its behalf (or any of their related bodies corporate) may be required to transfer all or some of your Personal Information to related bodies corporate and to third parties, which may include, but are not limited to, regulatory authorities, financial market and clearing and settlement facility operators, lenders, credit providers, custodians, share registries and certain software providers for the purposes set out in clause 16.3 and otherwise in accordance with the Privacy Act; and

(c) if at any time you do not provide all of the necessary documents and information contemplated by these General Terms, UBSSA may not be able to provide the services contemplated by these General Terms.

16.3 Personal Information or documents you give to UBSSA (or the Intermediary on its behalf) may be used by UBSSA or disclosed:

- (a) to any person for the purposes set out in these General Terms;
- (b) if required by any regulatory authority (including a Relevant Exchange, ASX Clear and ASX Settlement) or if allowed or required by law;
- (c) to its officers, employees, agents, associates and related bodies corporate;
- (d) on a confidential basis, to a prospective purchaser of, or investor in, UBSSA or all or part of the business of UBSSA;
- (e) to enable UBSSA to enforce its rights; or
- (f) to any person to whom you have authorised it to release the information or documents.

16.4 All Personal Information collected from you will be collected, used held and disclosed by (or on behalf of) UBSSA in accordance with its privacy policy, a copy of which can be made available to you on request. You may have rights to access and correct your personal information, and in some circumstances make complaints regarding our use, holding or disclosure of your personal information. You may exercise such rights by contacting UBSSA at the address set out at the end of these General Terms.

## 17. Tape Recording of Conversations

You acknowledge that UBSSA may record telephone conversations between you and UBSSA. If there is a dispute between you and UBSSA, you have the right to listen to any recording of those conversations with you.

## 18. Complaints

If you wish to make a complaint about the services, which UBSSA provides, please see the specific complaints procedure documented in UBSSA's FSG.

## 19. Compensation

19.1 As UBSSA is a Participant of Relevant Exchanges, you may make a claim on a Compensation Fund that relates to that Relevant Exchange in certain circumstances including if UBSSA:

- (a) fails to provide securities to you which you have paid for; (b) fails to provide you with the proceeds of a sale for which you have delivered securities to UBSSA;
- (c) is suspended from participating in the applicable Relevant Exchange and is unable to meet its obligations to you;
- (d) transfers your securities without your authority; or
- (e) becomes insolvent and fails to meet its obligations to you.

19.2 For more information on the circumstances in which you may make a claim:

- in relation to Transactions on ASX and the National Guarantee Fund (NGF), you can contact ASX or the Securities Exchanges Guarantee Corporation Limited ABN 19 008

626 793; or

- in relation to Transactions on Chi-X, you can contact Chi-X directly on +61 2 8078 1701.

## 20. Tax File Number

20.1 Collection of Tax File Numbers (**TFN**) is authorised by law and the Tax Laws and the Privacy Act strictly regulate their use and disclosure. It is not an offence if you choose not to supply your TFN. For more information about the use of TFNs, please contact the Australian Taxation Office.

20.2 Once provided to UBSSA, until you tell UBSSA otherwise, your TFN will automatically be applied to any future investments that are registered by UBSSA.

20.3 Where you have contracted UBSSA's services in the course of an enterprise carried on by you, your Australian Business Number (ABN) if applicable, may be supplied in addition to or instead of your TFN.

20.4 Where no TFN or ABN has been supplied nor exemption claimed, tax may be taken out of your income distributions at the highest marginal tax rate plus the Medicare levy and any other applicable Government taxes or levies. For joint accounts, each individual must supply a TFN, otherwise the account will be taxed as if no TFN has been supplied.

20.5 If you are a non-resident of Australia, or a resident of Australia who holds the account jointly with a non-resident, the total amount of interest income from the account will be subject to withholding tax, and the rate of such withholding tax will be the applicable rate for overseas residents as long as, in the case of an account held jointly with an Australian resident, the Australian resident has quoted their TFN.

## 21. Direct Debit Request

By completing a Direct Debit Request you:

- request UBSSA (Debit User Identification number 181244) to arrange for any amount UBSSA may debit or charge you, to be debited through the Bulk Electronic Clearing System and paid to UBSSA from the Account you have nominated in the account opening form (the **Account**);
- authorise UBSSA to debit the Account with any amount UBSSA may debit or charge you in accordance with the General Terms (including the Direct Debit Request Service Agreement); and
- acknowledge having read and understood, and agree to be bound by, this clause 21 and the Direct Debit Request Service Agreement.

The Direct Debit Request may be a separate document or part of an account opening form.

## 22. General Financial Product Advice

22.1 Where UBSSA (or the Intermediary on its behalf) provides market information, research, sales commentary or general recommendations ("**general advice**"), UBSSA gives no representation, warranty or guarantee as to its accuracy or completeness, as to any tax consequences or as to its suitability for you. Any general advice you receive has been prepared without taking into account your objectives, financial situation or needs, and because of that, you should consider the appropriateness of the general advice before acting. You acknowledge and agree that the information or general advice that UBSSA provides to other clients may be different from information or general advice given to you due to individual analysis of fundamental and technical factors by

different personnel and that such information may not be consistent with any proprietary investments of UBSSA or of its associates, directors, employees or agents.

22.2 While any general advice given by UBSSA to you is given in good faith, to the extent permitted by law UBSSA shall have no responsibility or liability whatsoever, whether in negligence or otherwise (always excepting fraud), in respect of any general advice given or opinion expressed.

22.3 You should read and consider carefully any disclosures or disclaimers made in any general advice that you receive that has been prepared by UBSSA, and by entering into these General Terms, you acknowledge, warrant and undertake that you will do so.

## 23. Amendment

UBSSA may amend these General Terms from time to time. UBSSA will give you 10 Business Days notice of any amendment after which time the amendment is effective.

## 24. Governing law

These General Terms are governed by and construed in accordance with the laws in force in New South Wales and you and UBSSA submit to the non-exclusive jurisdiction of the courts of New South Wales (and courts which may hear appeals from those courts).

## 25. Severance

If any of these General Terms or part of them are invalid and not enforceable in accordance with their terms, all other terms or part of them which are self-sustaining and capable of separate enforcement without regard to the invalid term are and continue to be valid and enforceable in accordance with their terms.

## 26. Interpretation

In these General Terms:

**Account** means an account with a financial institution or a holding of units in an Approved CMT in your name in respect of which you and UBSSA have a Direct Debit Agreement (as defined in the Direct Debit Request Service Agreement).

**Approved CMT** means a cash management trust which has been approved by UBSSA and the Intermediary for the purposes of these General Terms;

**Approved Financial Product** means a Financial Product approved for settlement by ASX Settlement in accordance with the ASX Settlement Operating Rules;

**ASIC** means the Australian Securities and Investments Commission;

**ASX** means ASX Limited ABN 98 008 624 691;

**ASX Clear** means ASX Clear Pty Ltd ABN 48 001 314 503;

**ASX Clear Operating Rules** means the operating rules of ASX Clear, as amended from time to time;

**ASX Market Integrity Rules** means the ASIC Market Integrity Rules (ASX Market) 2010, as amended from time to time;

**ASX Settlement** means ASX Settlement Pty Limited ABN 49 008 504 532 (formerly ASTC);

**ASX Settlement Operating Rules** means the operating rules of ASX Settlement, as amended from time to time;

**Best Execution Arrangements** means the arrangements set out in the document given to you by UBSSA in accordance with Chapter 3 of the Competition Market Integrity Rules;

**Business Day** has the same meaning given to it in the ASX Settlement Operating Rules;

**CHES** is defined in the ASX Settlement Operating Rules and generally means the Clearing House Electronic Subregister System;

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

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

**Claim** means a claim, action, proceeding or demand made against the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent;

**Compensation Fund** means a compensation fund required to be established by a Relevant Exchange under Part 7.5 of the Corporations Act, and includes the National Guarantee Fund and the Chi-X fidelity fund;

**Competition Market Integrity Rules** means the ASIC Market Integrity Rules (Competition in Exchange Markets) 2011, as amended from time to time;

**Control** has the same meaning as in the PPS Act.

**Corporations Act** means the Corporations Act 2001 (Cth), as amended from time to time;

**Corporations Regulations** means the Corporations Regulations 2001 (Cth), as amended from time to time;

**Derivative Products** means a Derivative Market Contract other than a Futures Market Contract (each as defined in the ASX Market Integrity Rules);

**Derivatives Terms** means the terms relating to trading in Derivative Products by UBSSA on your behalf set out in the document entitled "Derivatives Terms";

**Direct Debit Request Service Agreement** means the agreement between you and UBSSA set out in the document entitled "UBSSA Direct Debit Request Service Agreement" which is attached to these General Terms;

**Direct Debit Request** means the direct debit request between you and UBSSA, which you make by completing and signing either:

- (a) the relevant part of an account opening form; or
- (b) a separate document to a similar effect,

under which you authorise UBSSA to arrange for funds to be debited from an Account nominated by you.

**Documents** means documents of title, documents evidencing your security holder reference number and documents evidencing your agreement to comply with the Sponsorship Terms;

**Effective Date** has the same meaning given to it in the ASX Settlement Operating Rules;

**Exchange Rules** means the rules governing trading on a Relevant Exchange, as amended from time to time, including the Market Integrity Rules, and the operating rules of ASX and Chi-X;

**Financial Product** means a Cash Market Product (as defined in the ASX Market Integrity Rules), an Equity

Market Product (as defined in the Chi-X Market Integrity Rules) and mFund Products;

**FIX** means the Financial Information eXchange protocol, which is an electronic communications protocol for international real-time exchange of information related to securities transactions and markets.

**FSG** means a financial services guide (including any supplementary financial services guide);

**HIN** means a holder identification number used to identify you in CHES;

**Loss** means a damage, loss, cost, expense or liability incurred by the person concerned, however it arises and whether it is present or future, fixed or unascertained, actual or contingent;

**Market Integrity Rules** means any market integrity rules made by ASIC in accordance with Part 7.2A of the Corporations Act, as amended from time to time, that apply to a Relevant Exchange (including the ASX Market Integrity Rules, the Chi-X Market Integrity Rules and the Competition Market Integrity Rules);

mFund Product has the meaning given to "Aqua Product" in the ASX Settlement Operating Rules;

**mFund Product Transaction** means the subscription for, redemption of, or switching of mFund Products to be settled through the Managed Fund Settlement Service (as defined in the ASX Operating Rules);

**Order** means any order or instruction placed by you or on your behalf with UBSSA to buy or sell (or an instruction to execute an order to apply for, redeem or switch, as the case may be) a Financial Product, or an instruction to amend or cancel an order to buy or sell (or an instruction to execute an order to apply for, redeem or switch, as the case may be) a Financial Product;

**Participant Change Notice** has the same meaning given to it in the ASX Settlement Operating Rules and generally means a notice sent to a sponsored client by a Controlling Participant that novates a Sponsorship Agreement to another Controlling Participant;

**Personal Information** means all information about a person that is "personal information" as defined in the Privacy Act 1988 (Cth), as amended from time to time, which is collected or held by UBSSA (or the Intermediary on its behalf) in connection with these General Terms;

**PPS Act** means the Personal Property Securities Act 2009 (Cth).

**Privacy Act** means the Privacy Act 1988 (Cth),

**Registration Details** has the meaning given to it in the ASX Settlement Operating Rules and generally refers to your name, address and Residency Indicator;

**Relevant Exchange** means:

(a) the financial markets operated by ASX and Chi-X (as the case may be); and

(b) any other financial market (whether or not licensed under Part 7.2 of the Corporations Act) to which Orders may be transmitted for execution, or which provides clearing or settlement services in respect of Transactions on such a market (whether or not licensed

under Part 7.3 of the Corporations Act).

**Residency Indicator** has the meaning given to it in the ASX Settlement Operating Rules and generally refers to a code (being "D" for domestic, "F" for foreign and "M" for mixed) used to indicate the status for the purposes of the relevant legislation or governing instrument of the ultimate beneficial owner of Financial Products in a Holding on CHESS;

**Securities Lending Arrangement** has the meaning given to it in section 1020AA of the Corporations Act;

**Security Interest** means a security interest under the PPS Act.

**Sponsorship Agreement** means a written agreement between the Sponsoring Participant and another person as required pursuant to ASX Settlement Operating Rule 7;

**Sponsorship Terms** means the agreement between you and UBSSA set out in the document entitled "UBSSA Sponsorship Terms" which is attached to these General Terms;

**Trading Platform** means a facility made available by a Relevant Exchange to UBSSA for the entry of trading messages, the matching of Orders and the reporting of Transactions.

**Transaction** means a transaction in Financial Products executed on or reported to a Relevant Exchange (and includes a transaction passed through a UBS Crossing System or other network or facility operated by UBSSA and reported to a Relevant Exchange) or an mFund Product Transaction;

**UBS Accounts** means any account you have with any member of the UBS Group, including (without limitation) any cash management trust account (whether with UBS Cash Management Trust (ARSN 090 430 587) or any other member of the UBS Group) or any account relating to trading in Financial Products;

**UBS AG** means UBS AG, Australia Branch ABN 47 088 129 613, AFS Licence No. 231087;

**UBS Crossing System** has the meaning given to the term in the document "Summary of Best Execution Arrangements" that has been provided to you, or that you can request from your Intermediary or access at <http://www.ubs.com/global/en/investment-bank/our-global-presence/apac/australia/australia-investo-client-services.html>;

**UBS Group** means UBSSA, UBS Group AG and any of their related bodies corporate;

**UBSSA** means UBS Securities Australia Limited ABN 62 008 586 481, AFS Licence No. 231098, a Trading Participant of ASX and Chi-X, a General Participant of ASX Clear and a General Settlement Participant of ASX Settlement, and its successors and assignees;

**you** means the person named in the account opening form. If there is more than one, you means each of you separately and every two or more of you jointly and each person is authorised to issue instructions to the Intermediary and give receipts to UBSSA in relation to any purchase or sale of financial products or other matters to which these General Terms and conditions relate. You includes your successors and assignees.

26.2 The singular includes the plural and vice versa.

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

26.4 Unless the context otherwise requires, a reference to a document or agreement includes any variation or replacement of it and a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision.

26.5 Words used in this document have the meanings given to them in the Exchange Rules, ASX Clear Operating Rules or ASX Settlement Operating Rules (as the case may be). If you require a copy of these definitions please contact the Intermediary.

26.6 You agree that in the event of any inconsistency between:

- (a) these General Terms; and
- (b) any applicable laws, the Exchange Rules, ASX Clear Operating Rules or ASX Settlement Operating Rules,

the latter will prevail to the extent of the inconsistency.

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

#### **UBS Securities Australia Limited**

ABN 62 008 586 481  
AFS Licence No. 231098  
Level 16, Chifley Tower  
2 Chifley Square  
Sydney, NSW, 2000

#### **A participant of ASX Group and Chi-X**

# UBSSA Direct Debit Request Service Agreement

## 1. Debiting Your Account

1.1 By completing a Direct Debit Request, you authorise UBSSA to arrange for funds to be debited from the Account.

1.2 UBSSA will only arrange for funds to be debited from the Account as authorised in the Direct Debit Request.

1.3 If the Debit Day falls on a day that is not a Banking day, UBSSA may direct Your Financial Institution to debit the Account on the following Banking day. If you are unsure about the day on which the Account has or will be debited, you should ask Your Financial Institution.

## 2. Accounts

2.1 You should check with Your Financial Institution whether direct debiting is available from the Account as direct debiting may not be available on all accounts offered by Your Financial Institution.

2.2 You should also check that the Account details provided to UBSSA are correct by checking them against a recent Account statement.

## 3. Your obligations

3.1 It is your responsibility to ensure that there are sufficient clear funds available in the Account to allow a Debit Payment to be made in accordance with the Direct Debit Request.

3.2 If there are insufficient funds in the Account to meet a Debit Payment:

- (a) you may be charged a fee and/or interest by Your Financial Institution;
- (b) you may also incur fees or charges imposed or incurred by UBSSA; and
- (c) you must immediately arrange for sufficient clear funds to be in the Account by an agreed time so that UBSSA can process the Debit Payment.

3.3 You should check the Account statement to verify that the amounts debited from the Account are correct.

3.4 If UBSSA is liable to pay goods and services tax ("GST") on a supply made in connection with this agreement, then you agree to pay UBSSA on demand an additional amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.

## 4. Errors

4.1 If you believe that there has been an error in debiting the Account, you should notify UBSSA directly on (02) 9324 2000 and confirm that notice in writing as soon as possible.

4.2 If UBSSA concludes as a result of our investigations that the Account has been incorrectly debited UBSSA will arrange for Your Financial Institution to adjust the Account accordingly. UBSSA will also notify you in writing of the amount by which the Account has been adjusted.

4.3 If UBSSA concludes as a result of our investigations that the Account has not been incorrectly debited UBSSA will provide you with reasons and any evidence for this finding.

4.4 Any queries about an error made in debiting the Account should be directed to UBSSA in the first instance so that UBSSA can attempt to resolve the matter with you. If the matter cannot be resolved in this manner UBSSA may refer it to Your Financial Institution, which will obtain details from you of the disputed transaction.

## 5. Cancellation and changes

5.1 You may cancel your authority for UBSSA to debit the Account at any time by giving UBSSA 10 days notice in writing. This notice should be given to UBSSA in the first instance.

5.2 UBSSA may terminate these arrangements at any time by giving 10 days notice in writing to you.

## 6. Confidentiality

6.1 UBSSA will keep any information (including Account details) in your Direct Debit Request confidential.

6.2 UBSSA will only disclose information that it has about you:

- (a) to the extent specifically required by law; or
- (b) for the purposes of this Direct Debit Agreement (including disclosing information in connection with any query or claim); or
- (c) as permitted by the General Terms.

## 7. Amendment

UBSSA may amend this Direct Debit Agreement from time to time. UBSSA will give you 10 Business Days notice of any amendment after which time the amendment is effective.

## 8. Governing Law

This Direct Debit Agreement is governed by and construed in accordance with the laws in force in New South Wales and you and UBSSA submit to the non-exclusive jurisdiction of the courts of New South Wales (and courts which may hear appeals from those courts).

## 9. Interpretation

In this Direct Debit Request Service Agreement (**Direct Debit Agreement**) words have the meaning given to them:

- (a) in the General Terms (unless otherwise defined); or
- (b) in clause 10 of this Direct Debit Agreement.

## 10. Definitions

**Account** means an account with a Financial Institution (which may include an Approved CMT or holding of units in an Approved CMT) identified in the relevant part of the account opening form.

**Approved CMT** means a cash management trust which has been approved by UBSSA and the Intermediary for the purposes of the General Terms.

**Banking Day** means a day other than a Saturday or a Sunday or a public holiday throughout Australia.

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

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

**Direct Debit Request** means your direct debit request under clause 21 of the General Terms, which you make by completing and signing either:

- (a) the relevant part of an account opening form; or
- (b) a separate document to a similar effect,

under which you authorise UBSSA to arrange for funds to be debited from the Account.

**Financial Institution** means a financial institution with whom UBSSA has a direct debit facility arrangement. Please contact your financial services provider to check whether UBSSA has a direct debit facility arrangement with Your Financial Institution.

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

# UBSSA Derivatives Terms

If you have been approved by UBSSA to buy, sell or otherwise deal in ASX Derivative Products, these Derivative Terms apply to you in addition to the General Terms.

For the purposes of ASIC/ASX Market Integrity Rule 3.1 and ASX Clear Operating Rule 7.1.1, the Derivative Terms and General Terms together constitute the Derivative Client Agreement. References in these Derivative Terms to "this agreement" are to the Derivative Client Agreement so constituted.

## 1. Orders and instructions

- 1.1 You agree that, if you wish to place any Order, you must do so with the Intermediary, and the Intermediary will, as your agent (and not as the agent of UBSSA), communicate your Order and other instructions or information to UBSSA.
- 1.2 UBSSA will not act on any Orders or other instructions or information communicated directly to it by you (and not through the Intermediary). You may only terminate the Intermediary's authority to act on your behalf by terminating this agreement.
- 1.3 You acknowledge that UBSSA may, at any time, in its absolute discretion:
  - (a) refuse to accept an Order from you;
  - (b) refuse to execute any Orders for you; or
  - (c) limit your dealings in any ASX Derivative Product.
- 1.4 You acknowledge that UBSSA may, in certain circumstances permitted under the Corporations Act, Exchange Rules or ASX Clear Operating Rules, take the opposite position in ASX Derivatives Products, either acting for another client or on its own account.
- 1.5 You acknowledge that UBSSA is not required to act in accordance with your instructions, where to do so would constitute a breach of the Exchange Rules, ASX Clear Operating Rules or the Corporations Act.

## 2. Appointment of UBSSA as agent

- 2.1 You appoint UBSSA as your agent to deal in ASX Derivative Products under the terms of this agreement.
- 2.2 You irrevocably appoint severally UBSSA and UBSSA's employees, agents, or representatives, as your attorney in relation to providing ASX Clear or ASX Settlement (or both) with any notifications and actions necessary to give effect to UBSSA's rights to deal with Cover. This includes, without limitation, the release of Collateral from a subposition, and the sale of Collateral.
- 2.3 UBSSA has full power to:
  - (a) buy in and rescind or vary any contract for sale, or resell, without liability for any loss;
  - (b) execute assurances (in your name, and on behalf of you, or otherwise) of all or any Collateral which you lodge with UBSSA; and
  - (c) take all other steps which UBSSA may consider necessary or appropriate to complete any such sale.

## 3. Appointment of ASX Clear as agent

You irrevocably appoint severally ASX Clear, and every director, manager and assistant manager for the time being of the ASX Clear, at the option of the ASX Clear (as applicable) to do all acts and execute all documents on your behalf for the purpose of exercising the powers conferred on ASX Clear under the ASX Clear Operating Rule 15. These powers include, but are not limited to, the power to transfer or close out open ASX Derivative Products if UBSSA commits an event of default.

## 4. Conduct of business

- 4.1 You acknowledge that:
  - (a) notwithstanding that UBSSA may act in accordance with your instructions, or on your behalf, any ASX Derivative Product arising from any order submitted to ASX is entered into by UBSSA as principal;
  - (b) upon registration of an ASX Derivative Product with ASX Clear in the name of UBSSA, UBSSA incurs obligations to ASX Clear as principal, even though the ASX Derivative Product may have been entered into on your instructions; and
  - (c) UBSSA carries the settlement obligations for all ASX Derivative Transactions of UBSSA (including yours) and must settle as principal with ASX Clear or the relevant counterparty, even though the ASX Derivative Transaction may have been entered into on your behalf. Your settlement obligations are therefore owed directly to UBSSA.
- 4.2 You acknowledge that any benefit or right obtained by UBSSA upon registration of an ASX Derivative Product with ASX Clear by:
  - (a) novation under the ASX Clear Operating Rules; or
  - (b) any other legal result of registration,is personal to UBSSA and the benefit of that benefit, right or legal result does not pass to you. You have no rights, whether by way of subrogation or otherwise, against ASX or ASX Clear in relation to any dealings by UBSSA (or any other Participant or Market Participant) in ASX Derivative Products.
- 4.3 You and UBSSA agree that the terms of your relationship in respect of ASX Derivative Products and any dealings between you and UBSSA concerning ASX Derivative Products are subject to, and that you and UBSSA are bound by, the Exchange Rules, ASX Clear Operating Rules, Corporations Act (as amended from time to time) and the procedures, customs, usages and practices, directives, decisions, directions and requirements of the ASX, ASX Clear and their related entities in so far as they apply to ASX Derivative Products.

4.4 You acknowledge that ASX has the power under the Exchange Rules to cancel or amend (or require the cancellation or amendment of) ASX Derivative Transactions.

## 5. Your acknowledgements and warranties

5.1 You acknowledge that:

- (a) you have received, read and understood a copy of each document given to you by UBSSA, including the current explanatory booklets published by ASX in respect of ASX Derivative Products and the UBSSA ASX Derivatives Product Disclosure Statement;
- (b) dealing in ASX Derivative Products incurs a risk of loss as well as a potential for profit; and
- (c) you have given consideration to your objectives, financial situation and needs and have formed the opinion that dealing in ASX Derivative Products is suitable for your purposes.

5.2 You represent and warrant that:

- (a) where you are a body corporate, you are (and will remain) duly incorporated under the laws of the place of your incorporation and have 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 your behalf;
- (b) where you are a partnership, you have 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 your behalf;
- (c) where you are a natural person, you have the legal capacity to enter into this agreement; and
- (d) in any of the above cases, where you enter into this agreement as trustee, you have full power and authority as such trustee to enter into this agreement and to deal in ASX Derivative Products and have the right to be indemnified out of the assets of the relevant trust in respect of all and any of your obligations and liabilities under this agreement.

5.3 You represent and acknowledge that you are acting as principal and not as an agent or intermediary in placing Orders under these Derivative Terms and that your obligations under this Agreement are owed by you as principal to UBSSA.

## 6. Your funds and property

6.1 UBSSA must deal with any money and property paid or given to UBSSA in connection with your relationship with UBSSA relationship in accordance with the Corporations Act and the ASX Clear Operating Rules.

6.2 You acknowledge that your monies and the monies of other clients of UBSSA may be combined and deposited by UBSSA in a trust account or clients' segregated account. You acknowledge that all monies credited to the clients' segregated account maintained by UBSSA may be used by UBSSA to meet the default of any client of UBSSA.

6.3 If a Default occurs, UBSSA may (without notice or demand):

- (a) combine or consolidate any or all of the accounts (of whatever nature, maturity or wherever located) which you hold with UBSSA (or any member of the UBS Group); and
- (b) set-off or apply:
  - (i) any sum standing to the credit of any one or more of those accounts; or
  - (ii) any proceeds of the sale of any Collateral,

in or towards satisfaction of your obligations under this agreement.

## 7. Deposits and Margins

7.1 UBSSA may call for payment of money by you or the provision of other security by you, which UBSSA considers, in its absolute discretion, appropriate in connection with the obligations incurred by UBSSA in respect of ASX Derivative Transactions entered into on your account.

7.2 You become liable to pay:

- (a) the deposit at the time the dealing takes place, regardless of when the call is made; and
- (b) the margin at the time the margin comes into existence, regardless of when or whether a call is made.

7.3 The time by which you must pay any amount called or provide security is of the essence. You must pay the amounts called, or provide the relevant security, within 24 hours of the call for payment.

7.4 UBSSA may, in its absolute discretion, vary the deposit or margin requirements. UBSSA is not obliged to apply the deposit requirements applicable on the ASX Clear, provided that UBSSA calls the minimum deposit required by ASX Clear.

7.5 If you fail to meet the call or lodge Cover, then UBSSA may (without prejudice to any other rights or powers under this agreement) in its absolute discretion (but is not obliged to) close out, without notice, all or some of your positions in ASX Derivative Products.

7.6 You authorise UBSSA to withdraw or otherwise apply funds or financial products held on your behalf by UBSSA (or any member of the UBS Group) to partially or fully satisfy such calls.

7.7 You must pay in cash any deficit owing to UBSSA after closure for whatever reason. If you do not pay that deficit, UBSSA may (among other things) realise any financial products (including without limitation, any securities) held or otherwise controlled by UBSSA and apply the proceeds against that deficiency, and you irrevocably authorise UBSSA to take such action as is necessary to give effect to this clause.

7.8 Your liability for margin calls is not limited to the amount, if any, deposited with UBSSA.

## 8. Cover

8.1 If you lodge any Cover with UBSSA at any time, you represent and warrant to UBSSA that:

- (a) you are the beneficial owner of that Cover; and
- (b) your title to the Cover has not been restricted or limited in any way.

8.2 You authorise UBSSA to make any financial products lodged with, or otherwise held by, UBSSA available to ASX Clear as Cover.

8.3 You must not:

- (a) sell or dispose of the Cover;
- (b) create or allow to exist a security interest over, or any other interest in, the Cover or this agreement; and
- (c) assign or transfer all or any part of its rights in, or obligations under, the Cover or this agreement.

without UBSSA's prior written consent.

8.4 You agree that no interest is payable on any Cover provided by you to UBSSA.

## 9. Equitable mortgage of Cover

9.1 If you have lodged uncertificated financial products as Cover for any existing or prospective margin or deposit requirements, you authorise UBSSA to effect a reservation of those financial products in UBSSA's name or in the name of ASX Clear in a CHESS holding in accordance with the ASX Settlement Operating Rules.

9.2 Upon lodgement of financial products with UBSSA under clause 8 above until ASX Settlement reserves those financial products in a subposition (in accordance with the ASX Settlement Operating Rules), the financial products will be subject to an equitable mortgage from you to UBSSA.

9.3 You authorise UBSSA to effect a release of the financial products from the subposition at any time in accordance with the ASX Settlement Operating Rules. Upon such release, the financial products will again be subject to an equitable mortgage from you to UBSSA.

9.4 The equitable mortgage created under clauses 9.2 and 9.3 above will secure:

- (a) any deposit or margin obligations that arise on the part of you; and
- (b) any amount which is owed by you to UBSSA as a result of the your default.

9.5 If new rights arise in relation to the Cover lodged under clause 8 above, the rights are to be held, renounced and transferred on the same basis under this agreement as the financial products in the holding and will become subject to an equitable mortgage in favour of UBSSA.

9.6 If you Default, then UBSSA may deal with such financial products and rights or interests attaching to the financial products in accordance with the terms of this agreement.

9.7 UBSSA will release the above equitable mortgage in respect of any or all Collateral upon satisfaction of your obligations under this agreement.

## 10. Collateral to be sponsored by UBSSA

10.1 You must appoint an Account Participant of the UBSSA Participant Group as your Sponsoring Participant for the purposes of CHESS in relation to financial products that are to be lodged with UBSSA as Collateral from time to time.

10.2 All Collateral you lodge with UBSSA will be subject to the terms and conditions of the Sponsorship Agreement between you and your Account Participant.

## 11. Default

11.1 A Default occurs if you:

- (a) commit any act of default, whether by act or omission, under this agreement;
- (b) become bankrupt;
- (c) enter into a composition or scheme of arrangement for the benefit of creditors;
- (d) fail to complete under the Exchange Rules or ASX Clear Operating Rules a contract for the transfer of Underlying Financial Products (as defined in the ASX Clear Operating Rules) following the exercise of an option or fail to perform any other obligation arising pursuant to the exercise or settlement of an ASX Derivative Product;
- (e) have provided a guarantee or other security to UBSSA and it is withdrawn or becomes ineffective and other replacement securities acceptable to UBSSA is not provided;
- (f) make any representation that is incorrect or misleading in any material way, with the result that loss or damages is, or is likely to be, suffered by UBSSA;
- (g) have provided, or have requested a third party to provide, any guarantee of or security for your obligation which is withdrawn without the consent of UBSSA, or becomes defective or insufficient;
- (h) fail to pay, or provide security for, amounts payable to UBSSA;
- (i) being a company, go into liquidation, voluntarily or otherwise (except for the purpose of reconstruction), or appoint, or is appointed, a liquidator, receiver, administrator or official manager;
- (j) being a natural person, die or become of unsound mind, you or your estate is liable to be dealt with in any way under any law relating to mental health;
- (k) impose a moratorium on payments to creditors or cease, or threaten to cease, carrying on business;
- (l) in the absence of making alternative arrangements, are not contactable by UBSSA within 24 hours in order for UBSSA to obtain instructions;
- (m) engage in conduct such that a reasonably prudent broker would be of the view that you would be unable to comply with all of your obligations under this agreement, including, but not limited to, strict compliance with any time limits;
- (n) fail to pay the amounts due in respect of an ASX Derivative Transaction;
- (o) fail to fulfil your settlement obligations in respect of an ASX Derivative Transaction;
- (p) fail to fulfil your settlement obligations in respect of an ASX Transaction under the General Terms (or the relevant confirmation or any other agreement with UBSSA); or
- (q) have agreed with UBSSA in this agreement on the occurrence of any other event which entitles UBSSA to take action under this clause and that event occurs.

- 11.2 If a Default occurs, UBSSA has direct rights against you. UBSSA may, in addition to any other rights which they may have against you, without giving prior notice to you, take any action or refrain from taking action, which it considers reasonable in the circumstances in connection with ASX Derivative Transactions registered in your Client Account or otherwise entered into for you (including, without limitation, any ASX Derivative Transactions arising from those contracts).
- 11.3 Without limiting clause 11.2, if a Default occurs UBSSA may, in addition to any other rights which UBSSA may have against you, without giving prior notice to you:
- (a) enter into or cause to be entered into one or more transactions to effect the close out of one or more ASX Derivative Products in accordance with the ASX Clear Operating Rules;
  - (b) exercise one or more ASX Derivative Products in accordance with the ASX Clear Operating Rules;
  - (c) abandon any one or more ASX Derivative Products not yet exercised;
  - (d) cover open positions by entering into further ASX Derivative Transactions;
  - (e) take any other action a reasonably prudent broker might take in the circumstances to protect UBSSA's personal obligation incurred when dealing on your behalf;
  - (f) sell (or arrange for the sale of) any or all of your property (including, but not limited to any Collateral lodged with ASX Clear or UBSSA, any property that is sponsored by UBSSA (or any Account Participant of the UBSSA Participant Group) in CHESS or held by UBSSA (or any member of the UBS Group) in nominee holdings), in accordance with the terms of this agreement and apply the proceeds towards satisfaction of monies owing by you to UBSSA;
  - (g) apply any Cash Cover or other monies that you have deposited with ASX Clear or UBSSA (or any member of the UBS Group) by way of set-off;
  - (h) exercise any other power or right which UBSSA may have under this agreement or in law or equity or that are conferred by the Exchange Rules or ASX Clear Operating Rules, and/or perform any other obligation arising under the Exchange Rules, ASX Clear Operating Rules or this agreement in respect of those ASX Derivative Products or ASX Derivative Transactions; and
  - (i) do any other thing UBSSA is able to do under clause 11 of the General Terms as if a reference in that agreement to your failure to meet any of your settlement obligations included a reference to a Default.
- You must account to UBSSA as if those actions were taken on your instructions and (without limitation) you are liable for any deficiency and entitled to any surplus, which may result.
- 11.4 UBSSA may sell (or arrange for the sale of) any Collateral:
- (a) either by public auction, private treaty or tender;
  - (b) for cash or on credit;
  - (c) in one lot or in parcels;
  - (d) with or without special conditions or stipulations as to title or time or mode of payment or purchase money or otherwise;
  - (e) with power to allow the whole or any part of the purchase money to be deferred (whether with or without any security);
  - (f) whether or not in conjunction with the sale of any property to any person; and
  - (g) upon such other terms and conditions as UBSSA may consider expedient.
- UBSSA is not liable for any loss occasioned by a sale of the Collateral.
- 11.5 Upon any sale purporting to be made in the exercise of the powers conferred by this agreement or otherwise, no purchaser will be:
- (a) bound to ask whether any default has been made or otherwise as to the propriety or regularity of any sale; or
  - (b) affected by express notice that any such sale is unnecessary or improper.
- Despite any irregularity or impropriety in any such sale, the sale will be deemed to be authorised by such powers, as regards the protection of the purchaser or other party to any such dealing or disposal, and will be valid accordingly.

## 12. Change of Participant

If you receive a Participant Change Notice from UBSSA at least 20 Business Days prior to the date proposed in the Participant Change Notice for the change of Participant, you are under no obligation to agree to the change of Participant. You may choose to do any of the things set out below.

You may choose to terminate this Client Agreement in accordance with clause 15 below or by giving instructions to UBSSA indicating that you wish to transfer your ASX Derivative Products to another Participant.

If you do not take any action to terminate this Client Agreement and do not give any other instructions to UBSSA which would indicate that you do not agree to the change of Participant then, on the Effective Date, this Client Agreement will have been taken to be novated to the new participant and will be binding on all parties as if, on the Effective Date:

- (a) the new Participant is a party to this Client Agreement in substitution for UBSSA;
- (b) any rights of UBSSA are transferred to the new Participant; and
- (c) UBSSA is released by you from any obligations arising on or after the Effective Date.

The novation does not take effect until you have received a notice from the new Participant confirming that the new Participant consents to acting as Participant for you. The Effective Date may as a result be later than the date set out in the Participant Change Notice.

You 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 Client 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 Client Agreement continues for the benefit of UBSSA 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 Client Agreement will continue for the benefit of UBSSA until such time as the novation is effective, and UBSSA will hold the benefit of this Client Agreement on trust for the new Participant.

Nothing in this clause 12 will prevent the completion of ASX Derivative Transactions by UBSSA where the obligation to complete those transactions arises before the Effective Date and this Client Agreement will continue to apply to the completion of those transactions, notwithstanding the novation of this Client Agreement to the new Participant under this clause 12.

### 13. Information

You must take all reasonable steps to obtain and communicate to UBSSA all information, and deliver (or cause to be delivered) to UBSSA all documents, with respect to dealing in ASX Derivative Products, which are requested by an entity having a right to do so. You authorises UBSSA to pass on all information, and deliver (or cause to be delivered) all documents to that entity.

### 14. Indemnity and disclaimer

14.1 You indemnify UBSSA and its employees, agents and representatives (and will keep them indemnified) from and against all sums of money, actions, proceedings, suits, claims, demands, damages, costs, expenses and any other amounts whatsoever:

- (a) arising out of any Default, whether by act or omission, of you under this agreement;
- (b) arising out of anything lawfully done by UBSSA in accordance with this agreement; or
- (c) by reason of UBSSA complying with any direction, request or requirement of ASX, ASX Clear or any other regulatory authority.

You must pay UBSSA on demand any amounts owing to it under this indemnity.

14.2 All warranties (both express and implied) are disclaimed as to the description, quality, performance or fitness for the purposes of you of any Exchange Systems (or part of it).

14.3 UBSSA does not warrant or forecast that:

- (a) any Exchange System (or any part of it) or any service or any services performed in respect of it will meet the requirements of any user; or
- (b) the operation of, or services performed in respect of, any Exchange System will be uninterrupted or error-free.

14.4 UBSSA is not liable (and you release UBSSA from any liability) arising out of the operation of any Exchange System, whether for any breach of a provision of any relevant legislation, negligence, injury, death, lost profits, loss of files data or use, economic loss, loss or reputation or losses or damages incidental or consequential to the operation of any Exchange System, except to the extent that it is caused by the negligence or dishonesty of UBSSA its employees, agents or representatives.

### 15. Termination

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

15.2 On termination of this agreement UBSSA will:

- (a) close out all ASX Derivative Products held by UBSSA for the account of you; and
- (b) close out, abandon or exercise any ASX Derivative Products not yet exercised,

unless, in accordance with a direction from you, those contracts are transferred to another Participant in accordance with the Exchange Rules or ASX Clear Operating Rules.

15.3 Termination does not affect the:

- (a) existing rights and obligations of you or UBSSA prior to termination;
- (b) liabilities for any antecedent breach of any of the terms of this agreement; or
- (c) indemnities given under this agreement.

### 16. Amendment

16.1 UBSSA may amend this agreement from time to time. UBSSA will give you 10 Business Days notice of any amendment after which time the amendment is effective.

16.2 If ASX or ASX Clear prescribes amended minimum terms for a Client Agreement for the purposes of the Exchange Rules or ASX Clear Operating Rules, to the extent of any inconsistency between this agreement and the amended minimum terms, the amended minimum terms will override the terms of this agreement and apply as if you and UBSSA had entered into an agreement containing the amended minimum terms.

16.3 UBSSA will provide you a copy of the amended minimum terms referred to in clause 16.2 above as soon as practicable after ASX or ASX Clear prescribes them.

### 17. Severance

If any of these Derivative Terms or part of them are invalid and not enforceable in accordance with their terms, all other terms or part of them which are self-sustaining and capable of separate enforcement without regard to the invalid term are and continue to be valid and enforceable in accordance with their terms.

### 18. Interpretation

18.1 In these Derivative Terms:

**Account Participant** has the meaning given to it in the ASX Settlement Operating Rules

**ASX Derivative Product** means a Derivative Market Contract other than a Futures Market Contract (each as defined in the Exchange Rules);

**ASX Derivative Transaction** means a Market Transaction (as defined in the Exchange Rules) that relates to one or more ASX Derivative Products;

**Client Agreement** has the meaning given to it in the ASX Clear Operating Rules and generally means an agreement between you and a Participant in relation to ASX Derivative Products;

**Client Account** has the meaning given to it in the ASX Clear Operating Rules and generally means an account established by a Participant for the purposes of registering ASX Derivative Products;

**Collateral** has the meaning given to it in the ASX Clear Operating Rules and means property acceptable to ASX Clear, secured by any person in favour of ASX Clear in respect of some or all of the obligations of a Participant to ASX Clear;

**Cover** has the meaning given to it in the ASX Clear Operating Rules and generally means Cash Cover (as defined in the ASX Clear Operating Rules) and Collateral;

**Default** has the meaning given to it in clause 11.1 of these Derivative Terms;

**Effective Date** has the meaning given to it in the ASX Clear Operating Rules;

**Exchange System** means any computer system utilised by ASX, ASX Clear or the ASX Settlement in connection with trading, matching, price reporting, clearing, settlement or registration;

**Exchange Rules** means the rules governing trading on the ASX, as amended from time to time;

**New Rights** means any dividends, bonuses, rights of the mortgagor consequent on any consolidation or subdivision, or any other scheme by which rights or interests attach in relation to the secured financial products;

**Order**, when used in these Derivative Terms, means any instructions placed by you or on your behalf with UBSSA to buy, sell or otherwise deal in ASX Derivative Products;

**Participant** has the meaning given to Participant in the ASX Clear Operating Rules and generally means a person admitted by ASX Clear to participate in the clearing facility. UBSSA is a Participant;

**Participant Change Notice**, when used in these Derivative Terms, has the meaning given to it in the ASX Clear Operating Rules and generally means a notice sent to a client by a Participant that novates all ASX Derivative Contracts, which it holds in a Client Account to another Participant.

**Participant Group** has the meaning given to it in the ASX Settlement Operating Rules

- 18.2 A reference in the General Terms to ASX Transaction is taken to include a reference to an ASX Derivative Transaction for the purposes of this agreement.
- 18.3 A reference in the General Terms to ASX Product is taken to include a reference to an ASX Derivative Product for the purposes of this agreement.
- 18.4 A reference in the General Terms to "these General Terms" is taken to include a reference to these Derivative Terms for the purposes of this agreement.
- 18.5 Unless otherwise defined, words and phrases defined in the General Terms have the same meaning in these Derivative Terms.
- 18.6 Time is of the essence under the terms of this agreement

# Financial Services Guide

## (Execution, clearing and settlement—clients of an Intermediary)

### WHAT IS THE PURPOSE AND CONTENT OF THIS GUIDE

This Financial Services Guide ("FSG") dated 2 March 2015 is an important document. You should read it carefully and make sure you understand it. This FSG provides generic information about UBS Securities Australia Limited (ABN 62 008 586 481) (AFSL No. 231098) ("UBS Securities Australia", "us", "we", "our") and the services we offer.

This FSG also provides specific information about how you pay for our services and how complaints are dealt with. UBS Securities Australia is providing this FSG to give you key information about the types of financial services we offer. This FSG is intended to assist you in deciding whether to use any of the services offered.

### THE FSG CONTAINS, AMONG OTHER THINGS:

- a summary of the financial services which we will be providing to you and the kinds of financial products to which those services relate;
- information about the capacity in which we act when providing services to you;
- information about your rights as an investor;
- details on how you can instruct us in relation to your investment;
- information about the Product Disclosure Statement(s) ("PDS") which you may receive from us;
- information about remuneration that may be paid to us and other relevant persons in relation to the services provided; and
- information about how complaints against us are dealt with.

In addition to this FSG, you may, from time to time, receive from your financial adviser or other financial intermediary ("Intermediary") other documents issued by UBS Securities Australia, including our Best Execution arrangements. Our Best Execution arrangements contain important information about how your orders are executed by UBS Securities Australia through a Relevant Exchange (such as ASX or Chi-X) or otherwise. You should read the document summarising these arrangements carefully before deciding whether you wish to use the services that we offer.

Depending on the financial products that you wish to deal in, you may also receive a UBS Securities Australia PDS. The PDS will relate to financial products issued by UBS Securities Australia, for example, if you are transacting in exchange traded options traded on ASX.

There are a number of circumstances in which UBS Securities Australia may not be required to provide a PDS including: where you already have a current PDS; where you hold a financial product of the same kind and you have access to current information about that kind of financial product; or where the offer is made under a distribution reinvestment plan or switching facility. If you apply for an mFund Product, where required, your Intermediary will give you a current version of the relevant PDS.

In each case, the PDS contains details about the particular product and any significant risks associated with holding the product, any amounts that you must pay, and in the case of products which will or may generate a return, information about any commission or other similar payments that will or may impact on the amount of the returns payable to you.

Unless otherwise agreed with your Intermediary, UBS Securities Australia will not provide you with any financial product advice. You should contact the Intermediary for any financial product advice which you require. If you are to receive any general financial product advice from UBS Securities Australia, you will be given a separate FSG in respect of that service.

### IMPORTANT INFORMATION IS PROVIDED BELOW IN ANSWER TO COMMONLY ASKED QUESTIONS

#### WHO WILL BE RESPONSIBLE FOR THE FINANCIAL SERVICES GIVEN TO YOU?

UBS Securities Australia

The financial services listed below will be provided by UBS Securities Australia. UBS Securities Australia is an Australian Financial Services Licensee under the Corporations Act (AFSL No. 231098). It is a participant of ASX, Chi-X, ASX Clear Pty Limited (the clearing facility for transactions executed on or reported to ASX or Chi-X) and CHESS (the settlement facility operated by ASX Settlement Pty Limited). It is able to provide execution and settlement services in respect of mFund Products.

UBS Securities Australia is a wholly owned subsidiary of UBS AG, and is a related company of: UBS Nominees Pty Ltd (ABN 32 001 450 522) (AFSL No. 231088) and Warbont Nominees Pty Ltd (ABN 19 003 943 799).

UBS Securities Australia uses the nominee services provided by Warbont Nominees Pty Ltd ("Warbont Nominees"), during the transitional settlement period, in accordance with the Market Integrity Rules on behalf of clients of UBS Securities Australia. The Market Integrity Rules require that all financial products being held for a client during this period may only be registered under a nominee company. Warbont Nominees is the company that has been established to hold these financial products on your behalf in accordance with the Market Integrity Rules. These services are conducted under the Australian Financial Services Licence of UBS Securities Australia and UBS Securities Australia is responsible for the conduct of Warbont Nominees in respect of those services. Warbont Nominees is a wholly owned subsidiary of UBS Securities Australia.

UBS Securities Australia is not an authorised deposit-taking institution under the *Banking Act 1959* (Cth). The obligations of UBS Securities Australia do not represent deposits or other liabilities of UBS AG, and UBS AG does not stand behind, support or guarantee UBS Securities Australia in any way.

#### WHAT FINANCIAL SERVICES WILL WE PROVIDE TO YOU?

UBS Securities Australia is authorised under its Australian Financial Services Licence to provide execution, clearing and settlement services in relation to financial products (including financial products traded on a Relevant Exchange) which may include:

- securities;
- derivatives;
- interests in managed investment schemes (excluding investor directed portfolio services) such as mFund Products; and
- deposit and payment products; and
- foreign exchange contracts.

When providing these services, and in accordance with UBS Securities Australia's Best Execution arrangements (where relevant), your orders may pass through the components of the UBS Crossing System, and may be systematically matched with other orders in the UBS Crossing System to achieve enhanced liquidity and possible price improvement (from that which is available on a Relevant Exchange). Orders in mFund Products are not subject to UBS Securities Australia's Best Execution arrangements, as mFund Products are not traded on a Relevant Exchange.

For orders that match within the UBS Crossing System, they may match with other UBS Securities Australia client orders (agency orders) or with UBS Securities Australia as principal, and will then be reported to a Relevant Exchange. Where your orders match with UBS Securities Australia as principal, UBS Securities Australia will receive the same benefits and risks that any buyer or seller (as the case may be) of securities receives, in particular in relation to price fluctuations. The UBS Crossing System and any decision by UBS Securities Australia to buy or sell securities as principal are in accordance with internal risk management and conflict procedures to ensure compliance with applicable laws and regulations and best practice.

If you would like more information in relation to the UBS Crossing System, please notify your Intermediary. If you do not wish your orders to pass through the UBS Crossing System, please discuss this with your Intermediary.

The provision of settlement services may also involve UBS Securities Australia arranging dealings in deposit and payment products to facilitate settlement. UBS Securities Australia may also provide CHESS sponsorship services to you.

#### **HOW WILL YOU PAY FOR THE SERVICES AND HOW ARE ANY COMMISSIONS, FEES OR OTHER BENEFITS CALCULATED?**

UBS Securities Australia will be paid fees and commissions by the Intermediary through which you deal with UBS Securities Australia depending on the services you choose and the amount you invest. In addition, UBS Securities Australia or its related bodies corporate may pay referral fees to its employees where those employees refer clients to UBS Securities Australia.

As a foundation member of the Managed Fund Settlement Service, UBS Securities Australia may be eligible to receive a share of the revenue generated by the ASX from transactions in mFund Products. Any amount payable to UBS Securities Australia is dependent on several factors, including the amount of revenue that is attributable to transactions in mFund Products that have been settled by UBS Securities Australia.

More detailed information about the remuneration (including fees and commissions) or other benefits that UBS Securities Australia and other relevant persons are to receive in respect of the provision of any of the services to you is disclosed in the section titled "Fees & Charges". You may request particulars of the remuneration, provided the request is made within a reasonable time after you receive this FSG and before we provide the services to you.

#### **IN WHAT CAPACITY DO WE ACT?**

When providing the above financial services to you we act in a principal capacity and not as a representative of any other person. When we execute a transaction (or arrange for a transaction to be executed) for you, UBS Securities Australia acts as your agent.

#### **DO WE HAVE ANY RELATIONSHIPS OR ASSOCIATIONS WITH FINANCIAL PRODUCT PROVIDERS?**

UBS Securities Australia may from time to time provide financial services in connection with financial products issued by its related companies. For example, UBS Securities Australia offers execution services and acts as market maker in respect of warrants issued by UBS AG, Australia Branch. UBS Securities Australia also offers execution and settlement services in respect of units issued by UBS Global Asset Management (Australia) Limited, which can be subscribed for through the Managed Fund Settlement Service. You should review any disclosures made in a PDS as to interests UBS Securities Australia may have in the relevant financial products.

#### **HOW CAN YOU GIVE INSTRUCTIONS TO BUY OR SELL YOUR INVESTMENTS AND FINANCIAL PRODUCTS OR CHANGE YOUR SERVICE ARRANGEMENTS WITH US?**

You must specify to the Intermediary exactly what you want us to do. All instructions in relation to financial products traded or otherwise dealt with on a Relevant Exchange should be given to the Intermediary who will place orders on your behalf with UBS Securities Australia. You must give instructions to the Intermediary by telephone, facsimile, in writing or any other means that the Intermediary agrees with you. You may not place orders directly with UBS Securities Australia unless you are given direct market access ("DMA") in which case you will enter your orders online, for transmission to UBS Securities Australia for execution. If you require the DMA Service, you should discuss this with the Intermediary.

#### **WHAT INFORMATION DO WE MAINTAIN IN YOUR FILE?**

We maintain a record of items of personal information that you have provided to the Intermediary and the Intermediary provides to us, for example, as recorded in your account opening forms, financial product application forms or transaction documents.

All personal information (as defined in the *Privacy Act 1988* (Cth)) collected from you will be used and stored by us in accordance with the Privacy Policy for UBS Securities Australia. A copy of the Privacy Policy can be made available to you on request.

#### **WHAT CAN YOU DO IF YOU HAVE A COMPLAINT?**

If you have a complaint about the service provided to you by UBS Securities Australia or any of its representatives, you should take the following steps.

1. Contact the Intermediary or the UBS Securities Australia representative with whom you have been dealing and tell that person about your complaint or contact the Complaints Officer at the following address:

**The Complaints Officer**  
**c/- Legal & Compliance Department**  
**UBS**  
**Level 16, Chifley Tower**  
**2 Chifley Square**  
**Sydney NSW 2000**

Telephone: (612) 9324 2000

Facsimile: (612) 9324 2558

We will try to resolve your complaint quickly and fairly.

2. If you still do not get a satisfactory outcome, depending on the nature of your complaint, you may have the right to complain to:

#### **Financial Ombudsman Service**

**GPO Box 3**  
**Melbourne VIC 3001**  
**Telephone: 1300 78 08 08**  
**Email: info@fos.org.au**

The Australian Securities and Investment Commission ("ASIC") also has a free call Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

UBS Securities Australia has Professional Indemnity ("PI") insurance in place which satisfies the requirements of section D of the ASIC Regulatory Guide 126. These compensation arrangements satisfy the requirements of section 912B of the Corporations Act. The PI insurance will not cover work done for us by representatives after they cease to work for us.

If you would like a clarification of any of the matters discussed in this Guide, or require further information, please contact the Intermediary.

## DEFINITIONS

In this FSG:

**ASX** means ASX Limited (ABN 98 008 624 691) or the market operated by it (as the context requires);

**Chi-X** means Chi-X Australia Pty Ltd (ABN 47 129 584 667) or the market operated by it (as the context requires);

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended from time to time;

**Managed Fund Settlement Service** means the settlement service called mFund provided by ASX Settlement in respect of mFund Products;

**Market Integrity Rules** means any market integrity rules made by ASIC in accordance with Part 7.2A of the Corporations Act, as amended from time to time, that apply to a Relevant Exchange;

**mFund Products** has the meaning given to "Aqua Product" in the ASX Settlement Operating Rules;

**Relevant Exchange** means:

- (a) ASX or Chi-X, or the financial markets operated by them (as the context requires); and
- (b) any other financial market (whether or not licensed under Part 7.2 of the Corporations Act) to which orders for transactions in financial products may be transmitted for execution or to which transactions are reported, or which provides clearing or settlement services in respect of transactions on such a market (whether or not licensed under Part 7.3 of the Corporations Act);

**UBS Crossing System** has the meaning given to the term in the document "Summary of Best Execution Arrangements" that has been provided to you, or that you can request from your Intermediary or access at <http://www.ubs.com/global/en/investment-bank/our-global-presence/apac/australia/australia-investo-client-services.html>

## CONTACT DETAILS

If you have any queries, you can contact us on (612) 9324 2000.

**THE FOLLOWING INFORMATION ON FEES AND CHARGES IS APPLICABLE AS AT THE DATE OF THIS FSG, HOWEVER IS SUBJECT TO CHANGE AND DOES NOT INCLUDE INFORMATION IN RELATION TO TAXES OR DUTIES THAT YOU MAY BE REQUIRED TO PAY IN RELATION TO A TRANSACTION OR INVESTMENT.**

## FEES AND CHARGES

Brokerage, commission, fees or a combination will apply depending on the services and products you choose.

To the extent that a PDS is required for a transaction involving a particular financial product, the PDS for the financial product will disclose details of commissions, fees or other benefits received by UBS Securities Australia or its related companies in respect of the transaction in respect of that financial product. Fees for other services UBS Securities Australia provides are listed below. These fees may be paid to either UBS Securities Australia or to any of its related companies or another intermediary. Amounts listed below are in Australian dollars.

**Commission for sale and purchase of financial products:** You do not pay commissions to UBS Securities Australia. The commissions, which will be recorded on transaction confirmations, are commissions payable by you to the Intermediary. UBS Securities Australia will collect these amounts from you and remit them to the Intermediary. UBS Securities Australia will charge a fee to the Intermediary for providing these services to you. This fee depends on the value and volume of trading, which we do through the Intermediary. You may request particulars of the remuneration, provided the request is made within a reasonable time after you receive this FSG and before we provide the services to you.

**Fee for securities borrowing and lending arrangements (if available to you):** up to 3% per annum on the value of securities borrowed and/or upfront flat fee up to \$15,000 per parcel of securities borrowed.

**Fail fees:** payable by you for failing to provide payment or delivery of stocks for a buy or sell transaction by the settlement time:

When stock is not available to meet our market settlement obligation or if you do not provide us with sufficient funds in time to settle our market obligations in relation to a buy transaction, we will charge you the greater of \$100 and the daily ASX Clear fail fee, which is calculated at 0.1% of settlement consideration, subject to a minimum of \$100 and maximum of \$5,000 (exclusive of GST) for each failed settlement.

**ASX Clear fees:** ASX Clear charges a transaction fee of \$0.143 per equity option contract, including GST. If you exercise an exchange traded equity option or get assigned on an exchange traded equity option, ASX Clear charges an exercise fee of \$0.055 per contract, including GST.

In the case of index options, ASX Clear charges \$0.495 per contract including GST, for the transaction fee and \$0.39 per contract including GST for the exercise fee.

The ASX Clear fees referred to above are current as at the date of this FSG. The actual cost of your transaction will be disclosed in your transaction confirmation.

# Sponsorship Terms

## EXPLANATION OF SPONSORSHIP AGREEMENT

The following is an explanation of the terms of your sponsorship agreement with UBSSA (Sponsorship Terms).

A copy of the Sponsorship Terms follows this explanation. It is important that you read this document and understand it before signing a UBSSA account opening form or before you agree to the Participant Change Notice you receive from UBSSA. If you sign the account opening form or do not do anything to indicate that you do not agree to the Participant Change Notice you receive from UBSSA, you acknowledge that you have understood the effect of the Sponsorship Terms.

### 1. What is the purpose of the Sponsorship Terms?

The Sponsorship Terms appoints UBSSA as your “controlling participant” on CHESS.

CHESS is an electronic system that manages the settlement process by facilitating the exchange of money and shares at the same time. CHESS also administers a form of electronic registration of shareholdings so instead of holding certificates to show that you own Financial Products, under CHESS you have Financial Products registered in your name to show that you own them. CHESS is operated by ASX Settlement Pty Ltd ABN 49 008 504 532 (**ASX Settlement**) under the ASX Settlement Operating Rules.

UBSSA is admitted as a General Settlement Participant of ASX Settlement, which means that it is able to control Financial Products on CHESS for you. By agreeing to the Sponsorship Terms, you appoint UBSSA as your controlling participant to control your Financial Products on CHESS. In other words, UBSSA “sponsors” your Financial Products on CHESS.

### 2. Explanation of the Sponsorship Terms (clause 1)

In clause 1.1 you appoint UBSSA to act as your agent on CHESS in respect of your holding(s) of the Financial Products identified by your HIN in an account opening form or on a Participant Change Notice that UBSSA sends to you.

Clauses 1.2 to 1.7 set out UBSSA's obligations in relation to the transfer of Financial Products into or out of your holding. Importantly, UBSSA will not usually initiate any transfer or conversion of Financial Products into or out of your holding without your express authority.

### 3. Acknowledgements by you (clause 2)

In clause 2.1 you make certain acknowledgements. These acknowledgements are that:

- (a) UBSSA has explained the Sponsorship Terms to you (by providing this explanation) and that you understood the Sponsorship Terms;
- (b) if you die or become bankrupt, your sponsored holdings will be unable to be transferred (by placing a “holder record lock” on your sponsored Financial Products) unless your legal representative elect to remove your sponsored Financial Products from the CHESS subregister;

- (c) if you die, the Sponsorship Terms continue in force in respect of your legally appointed representative for up to 3 months after the removal of the holder record lock;
- (d) the regulatory regime that applies to UBSSA in relation to the Sponsorship Terms, is the Corporations Act, Exchange Rules, ASX Clear Operating Rules and ASX Settlement Operating Rules;
- (e) you can obtain information in relation to the regulatory regime that applies to the Sponsorship Terms from ASIC, a Relevant Exchange, ASX Clear or ASX Settlement;
- (f) you can lodge a complaint or a claim for compensation against UBSSA with UBSSA, ASIC or ASX Settlement;
- (g) no other compensation apply in relation to the Sponsorship Terms;
- (h) if a transfer of your Financial Product is effected in accordance with the ASX Settlement Operating Rules, then:
  - (i) you may not assert or claim against ASX Settlement (or the relevant issuer of the Financial Product) that UBSSA was not authorised by you to effect that transfer; and unless the transfer was taken to have been effected by a Participant of a Relevant Exchange or a Clearing Participant of ASX Clear, you have no claim arising out of the transfer against the Compensation Fund that relates to the Relevant Exchange (of which UBSSA is not a Participant) under the Corporations Regulations. However, UBSSA is both a Participant of one or more Relevant Exchanges and a Clearing Participant of ASX Clear; and
- (i) that if UBSSA is not a Participant of a Relevant Exchange, neither that Relevant Exchange nor any Related Body of that Relevant Exchange has any responsibility for supervising or regulating the relationship between you and UBSSA. However, UBSSA is a Participant of one or more Relevant Exchanges.

If you are a joint holder, under clause 2.2 you acknowledge that your holding will be transferred into a new holding in the name of the surviving holder(s) if one of the joint holders dies. The Sponsorship Terms continue to bind the surviving holders.

### 4. Security, other interests and sub-positions (clause 3)

If you instruct UBSSA to lodge Financial Products as cover for written positions in relation to Derivative Products or advise UBSSA that an interest has been or will be created over Financial Products, you give UBSSA authority to give effect

to your instructions. Note that UBSSA must always act in accordance with the ASX Settlement Operating Rules.

#### **5. Suspension of UBSSA from participation in CHESS (clause 4)**

If UBSSA is suspended from participation in CHESS, you may instruct ASX Settlement to remove your sponsored holdings from the CHESS subregister or from UBSSA's control to another controlling participant. If you do not give ASX Settlement such notice, ASX Settlement may change your CHESS sponsor. If this occurs, the new controlling participant is initially subject to the Sponsorship Terms but must enter into a new sponsorship agreement with you within 10 business days.

#### **6. Complaints and compensation (clause 5)**

You have certain rights if you wish to claim compensation or make a complaint against UBSSA. These are set out in clause 5 and UBSSA's FSG.

In particular, if UBSSA breaches the Sponsorship Terms, you may refer that breach to any regulatory authority including ASX Settlement. If UBSSA breaches a provision of the Sponsorship Terms and you make a claim against UBSSA, UBSSA's ability to satisfy that claim will depend on UBSSA's financial position. If a breach by UBSSA of the Sponsorship Terms falls within certain circumstances, you may be able to make a claim on a Compensation Fund for compensation.

#### **7. Rules (clause 6)**

Clause 6 provides that you must not do anything which would prevent or hinder UBSSA from complying with its obligations to a Relevant Exchange, ASX Clear or ASX Settlement.

This clause also provides that, if the Sponsorship Terms conflict with the ASX Settlement Operating Rules, the ASX Settlement Operating Rules prevail to the extent of any inconsistency and UBSSA can amend the Sponsorship Terms to make it comply with the ASX Settlement Operating Rules.

#### **8. Termination (clause 7)**

The Sponsorship Terms may be terminated if UBSSA becomes insolvent, if UBSSA's participation on CHESS is terminated or suspended or if either party notifies the other that it wants to terminate the Sponsorship Terms. Note that the rights and obligations which have accrued before the Sponsorship Terms come to an end are not effected.

#### **9. Supply of Information (clause 8)**

You must promptly give UBSSA any information or documents, which are required to act as your controlling participant or comply with the ASX Settlement Operating Rules and the registration requirements.

#### **10. Change of controlling participant (clause 9)**

Clause 9 contains provisions setting out what is to happen if UBSSA no longer wishes to sponsor you. This may occur if there is a significant change to the organisational structure of the UBS Group or if the whole of UBSSA's business is to be transferred to another controlling participant. In particular, clause 9 provides for the novation of the Sponsorship Terms to another controlling participant without the need for you to sign a new sponsorship agreement.

#### **11. Copies of the Sponsorship Terms (clause 10)**

You are entitled to receive a copy of the Sponsorship Terms executed by us. You may request this at any time.

#### **12. Miscellaneous (clauses 11, 12 and 13)**

These clauses deal with several important procedural and legal matters. Clause 11 states that UBSSA may amend the Sponsorship Terms but will give you 10 business days' notice before doing so. Clause 12 states that the Sponsorship Terms are governed by the law and courts of New South Wales. Clause 13 states that if any of the Sponsorship Terms are invalid and not enforceable the remainder of the Sponsorship Terms (excluding the invalid terms) are still enforceable.

#### **13. Interpretation (clause 14)**

At the end of the Sponsorship Terms, clause 14 explains that the words used in the Sponsorship Terms have the meanings given to them in clause 25 of the General Terms.

#### **14. AQUA Products (clause 15)**

This clause only applies if your holdings comprise AQUA Products (as defined by the ASX Settlement Operating Rules) and means that if you change Controlling Participant and your new Controlling Participant is not accredited to settle AQUA Products then your AQUA Product Holdings will be converted to Issuer Sponsored.

## UBSSA SPONSORSHIP TERMS

If you have appointed UBSSA as your Controlling Participant (whether by way of the novation of an existing sponsorship agreement to UBSSA or by a direct appointment by you), the following Sponsorship Terms will apply. References in these Sponsorship Terms to "this Sponsorship Agreement" are to these Sponsorship Terms together with clauses 12, 16, 17, 20 and 26 of the General Terms and Conditions and to the document that you have provided to UBSSA on which your HIN(s) is or will be specified. If for any reason this Sponsorship Agreement is terminated or novated but other parts of the General Terms and Conditions continue in operation, termination of this Sponsorship Agreement does not affect the continued operation of the General Terms and Conditions.

### 1. Sponsorship Agreement with UBSSA

1.1 You appoint UBSSA as your Controlling Participant in relation to your Holding with the HIN(s) specified or to be specified in your account opening form or otherwise agreed between you and UBSSA. You appoint UBSSA as your agent to carry out any action in CHESS relating to your Holding (including receiving and acting on any instructions to change Registration Details or Residency Indicator, a Notice of death or Bankruptcy, or Withdrawal Instructions).

1.2 Subject to this Sponsorship Agreement, UBSSA will not initiate any Transfer or conversion into or out of your Holding sponsored under this Sponsorship Agreement without your express authority.

1.3 Where UBSSA claims that you have not paid it in accordance with these Sponsorship Terms, UBSSA may refuse to comply with your Withdrawal Instructions (but only to the extent necessary to retain Financial Products in your Holding sponsored under the Sponsorship Agreement with a minimum value equal to 120% of the current market value of the amount claimed).

1.4 Subject to this Sponsorship Agreement, UBSSA will initiate any Transfer, conversion or other action necessary to give effect to Withdrawal Instructions within the scheduled time.

1.5 You agree that UBSSA is able to initiate or control the sending of electronic messages or electronic communications in relation to which your Order may be transferred or otherwise dealt with.

1.6 You agree that UBSSA is not obliged to transfer Financial Products into your Holding until UBSSA receives payment for those financial products.

1.7 Where UBSSA demands that you pay for Financial Products, and the contract for the purchase of those Financial Products remains unpaid, we may sell those Financial Products at your risk and expense (including any brokerage and stamp duty) in accordance with the General Terms.

### 2. Acknowledgments by you

2.1 You acknowledge that:

(a) before you agreed to the Sponsorship Agreement, UBSSA explained the Sponsorship Agreement to you and that you understood the effect of these Sponsorship Terms;

(b) if you die or become bankrupt, a Holder Record Lock will be applied to all your Holdings sponsored under these Sponsorship Terms in accordance with the ASX Settlement Operating Rules (unless your legally appointed representative or trustee elects to remove those Holdings from the CHESS subregister);

(c) if you die, these Sponsorship Terms are deemed to remain in operation in respect of

the legally appointed representative authorised to administer your estate for a period of up to three calendar months after the removal of the Holder Record Lock in accordance with the ASX Settlement Operating Rules (unless your legally appointed representative elects to remove the Holdings sponsored under these Sponsorship Terms from the CHESS subregister);

(d) the regulatory regime which applies to UBSSA includes the Corporations Act, Exchange Rules, ASX Clear Operating Rules and ASX Settlement Operating Rules;

(e) information about UBSSA's status under the regulatory regimes which apply to it can be obtained from ASIC, a Relevant Exchange, ASX Clear or ASX Settlement;

(f) a complaint against UBSSA or claim for compensation may be lodged by you with UBSSA, ASIC or ASX Settlement;

(g) except as referred to in clause 5 no compensation arrangements apply to you in relation to these Sponsorship Terms;

(h) if you have been taken to have effected a Transfer under these Sponsorship Terms, then:

(i) you may not assert or claim against ASX Settlement or the relevant issuer (as defined in the ASX Settlement Operating Rules) that the Transfer was not effected by UBSSA or UBSSA was not authorised by you to effect the Transfer; and

(ii) you have no claim arising out of the Transfer against a Compensation Fund unless the Transfer was also effected by a Participant of the Relevant Exchange (to which the Compensation Fund relates) or a Clearing Participant of ASX Clear; and

(i) if UBSSA is not a Participant of a Relevant Exchange, neither that Relevant Exchange nor any Related Party of that Relevant Exchange has any responsibility for regulating the relationship between you and UBSSA, other than in relation to the ASX Settlement Operating Rules relating to sponsorship agreements.

2.2 If you are a joint holder you also acknowledge that:

(a) if one of the joint holders dies all Holdings under the joint Holder Record will be Transferred into new Holdings under a new Holder Record in the name of the surviving holders (these Sponsorship Terms remain valid for the new Holdings under the new Holder Record); and

(b) if one of you becomes bankrupt, UBSSA will:

(i) establish a new Holder Record in the name of the one of you that is bankrupt, Transfer that person's interest into new Holdings under the new Holder Record and request ASX Settlement to apply a Holder Record Lock to all Holdings under that Holder Record (unless the legally appointed representative of the bankrupt holder elects to remove the Holdings from the CHES subregister); and

(ii) establish a new Holder Record in the names of the other joint holders and Transfer their interest into new Holdings under the new Holder Record.

### 3. Security, Other Interests and Sub-positions

3.1 If you tell UBSSA that Financial Products are lodged with ASX Clear as cover for written positions in Derivative Products registered with ASX Clear, you authorise UBSSA to take whatever action is required by ASX Clear or the ASX Clear Operating Rules to give effect to that cover.

3.2 If you tell UBSSA that a charge or other interest in Financial Products has been or is to be given to a person then you authorise UBSSA to take whatever action is required by that person in accordance with the ASX Settlement Operating Rules to give effect to or record that interest.

3.3 In the circumstances contemplated by this clause 3 (or in other circumstances, if you consent), UBSSA may create a sub-position over your Holding. If UBSSA does this, your ability to Transfer, convert or otherwise deal with the Financial Products will be restricted in accordance with the ASX Settlement Operating Rules.

### 4. Suspension from CHES

4.1 If UBSSA is suspended from CHES participation then (subject to the assertion by a liquidator, receiver, administrator or trustee of an interest in Financial Products controlled by UBSSA) you may within 20 Business Days of ASX Settlement giving notice of the suspension give a notice to ASX Settlement requesting that your Holdings sponsored under these Sponsorship Terms be removed either:

(a) from the CHES subregister; or

(b) from UBSSA's control to the control of another Sponsoring Participant with whom you have entered into a valid sponsorship agreement in accordance with the ASX Settlement Operating Rules.

4.2 If you do not give notice to ASX Settlement under clause 4.1, ASX Settlement may change your CHES sponsor under the ASX Settlement Operating Rules in which case you will be deemed to have entered into a new sponsorship agreement with the substitute Sponsoring Participant on the same terms and conditions as these Sponsorship Terms.

4.3 If you are deemed to have entered into a new sponsorship agreement with a new Sponsoring Participant under this clause 4 because UBSSA is suspended from CHES, the new Sponsoring Participant must enter into a new sponsorship agreement with you

within 10 Business Days of the change of Sponsoring Participant.

### 5. Complaints

5.1 If you wish to make a complaint about the service, which UBSSA provides, please see the specific complaints procedure documented in its FSG.

If you make a claim for compensation, UBSSA's ability to satisfy that claim will depend upon UBSSA's financial circumstances.

If UBSSA breaches these Sponsorship Terms, you may refer that breach to any regulatory authority, including ASX Settlement. If UBSSA is required to lodge a Sponsorship Bond, you may be entitled to make a claim to ASX Settlement under UBSSA's Sponsorship Bond.

5.2 As UBSSA is a Participant of a Relevant Exchange, you may make a claim on a Compensation Fund that relates to that Relevant Exchange in certain circumstances.

5.3 For more information on the circumstances in which you may make a claim:

- in relation to Transactions on ASX and the National Guarantee Fund (NGF), you can contact ASX or the Securities Exchange Guarantee Corporation Limited ABN 19 008 626 793; or
- in relation to Transactions on Chi-X, you can contact Chi-X directly on +61 2 8078 1701.

### 6. Rules

These Sponsorship Terms are subject to the Exchange Rules, ASX Clear Operating Rules and ASX Settlement Operating Rules. You must not do anything that would prevent or hinder UBSSA from complying with its obligations under the Exchange Rules, ASX Clear Operating Rules and ASX Settlement Operating Rules.

Should any of the provisions of these Sponsorship Terms be inconsistent with the provisions of the ASX Settlement Operating Rules, UBSSA may, by giving you not less than 7 Business Days' notice, vary these Sponsorship Terms to the extent to which in UBSSA's reasonable opinion it is necessary to remove the inconsistency.

### 7. Termination

UBSSA's appointment as Controlling Participant under these Sponsorship Terms may be terminated if:

- you or UBSSA notifies the other in writing that it wants to terminate the appointment (in which case these Sponsorship Terms cease to apply from the time the notice is received unless a later time is specified in the notice);
- UBSSA becomes insolvent;
- UBSSA's participation in CHES is terminated or suspended; or
- you give an effective Withdrawal Instruction to UBSSA pursuant to clause 9.

Termination under this clause 7 does not affect any rights or obligations which have accrued to a party under these Sponsorship Terms or at law before termination.

Subject to you having discharged all your obligations to UBSSA owing in relation to any of your UBS Accounts, UBSSA will immediately Transfer or procure the Transfer of your Sponsored Participant Holding to you or as you may otherwise direct in writing.

## **8. Supply of Information**

You will supply all information and supporting documentation which is reasonably required to permit UBSSA to comply with the registration requirements, as are in force from time to time, under the ASX Settlement Operating Rules.

## **9. Change of Controlling Participant**

9.1 UBSSA may send you a notice (known as a Participant Change Notice) proposing that UBSSA cease to be the Controlling Participant for your Holdings and setting out details of the proposed new Controlling Participant. If you receive a Participant Change Notice from UBSSA, which complies with the requirements of the ASX Settlement Operating Rules, you are under no obligation to agree to the change of Controlling Participant and may choose to do any of the things set out in this clause.

You may choose to terminate this Sponsorship Agreement by giving Withdrawal Instructions to UBSSA indicating whether you wish to:

- (a) Transfer your Holding to another Controlling Participant; or
- (b) Transfer your Holding to one or more Issuer Sponsored Holdings.

9.2 If you do not take any action to terminate this Sponsorship Agreement in accordance with clause 9.1, and do not give any other instructions to UBSSA which would indicate that you do not agree to the change of Controlling Participant, then, on the Effective Date, these Sponsorship Terms will have been taken to have been novated to the new Controlling Participant and will be binding on all parties as if, on the Effective Date:

- (a) the new Controlling Participant is a party to these Sponsorship Terms in substitution for UBSSA;
- (b) any rights of ours are transferred to the new Controlling Participant; and
- (c) UBSSA is released by you from any obligations arising on or after the Effective Date.

9.3 Novation under this clause will not take effect until you have received a notice from the new Controlling Participant confirming that the new Controlling Participant consents to act as the Controlling Participant for you. The Effective Date may, as a result, be later than the date set out in the Participant Change Notice.

9.4 You will be taken to have consented to the events referred to in this clause by the doing of any act which is consistent with the novation of these Sponsorship Terms to the new Controlling Participant (for example by giving an instruction to the new Controlling Participant), on or after the Effective Date, and such consent will be taken to be given as of the Effective Date.

9.5 These Sponsorship Terms continue for the benefit of UBSSA 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 this clause 9 not binding or effective on the Effective Date,

then these Sponsorship Terms will continue for the benefit of UBSSA until such time as novation is effective, and UBSSA will hold the benefit of these Sponsorship Terms on trust for the new Controlling Participant.

9.6 Nothing in this clause will prevent the completion of the CHES transactions by UBSSA where the obligation to complete those transactions arises before the Effective Date and these Sponsorship Terms will continue to apply to the completion of those transactions, notwithstanding the novation of these Sponsorship Terms to the new Controlling Participant under this clause 9.

## **10. Copies of the Sponsorship Terms**

You are entitled to receive a copy of the executed Sponsorship Terms. You may request a copy of the executed Sponsorship Terms at any time.

## **11. Amendment**

UBSSA may amend these Sponsorship Terms from time to time. UBSSA will give you 10 Business Days' notice of any amendment after which time the amendment is effective.

## **12. Governing law**

These Sponsorship Terms are governed by and construed in accordance with the laws in force in New South Wales and you and UBSSA submit to the non-exclusive jurisdiction of the courts of New South Wales (and courts which may hear appeals from those courts).

## **13. Severance**

If any of these Sponsorship Terms or part of them are invalid and not enforceable in accordance with their terms, all other terms or part of them which are self-sustaining and capable of separate enforcement without regard to the invalid term are and continue to be valid and enforceable in accordance with their terms.

## **14. Interpretation**

In these Sponsorship Terms, words have the meaning given to them in clause 25 of the General Terms (unless otherwise defined).

## **15. AQUA Products**

*This clause 15 applies where your Holdings comprise AQUA Products (as defined in the ASX Settlement Operating Rules).*

Despite any other clause of this Sponsorship Agreement, if you terminate your Sponsorship Agreement with UBSSA under clause 7 of these Sponsorship Terms, and you give Withdrawal Instructions to Transfer your Holdings to another Controlling Participant, UBSSA will only transfer your AQUA Product Holdings to a Controlling Participant that is accredited to facilitate the settlement of AQUA Products in accordance with the ASX Settlement Operating Rules.

Where the new Controlling Participant is not accredited to facilitate the settlement of AQUA Products, UBSSA will convert the AQUA Product Holdings to Holdings on the Issuer Sponsored Subregister.

# Summary of Best Execution Arrangements

## 1. Purpose

In accordance with Part 3.1 of the ASIC Market Integrity Rules (Competition in Exchange Markets) 2011, UBS Securities Australia Ltd ("**UBSSA**") must take reasonable steps to obtain the best outcome (or "best execution") for its clients when handling and executing client orders.

This statement discloses how, in general terms, our best execution obligation affects the handling and execution of client orders. Any material changes to this statement will be notified to you and made available on the website <http://www.ubs.com/global/en/investment-bank/our-global-presence/apac/australia/australia-equities.html>. You should refer to the website for the latest summary of our best execution arrangements.

This statement also contains information on how we meet our best execution obligation to you, our clients.

## 2. Scope

UBSSA's best execution arrangements apply where we execute orders to buy or sell Equity Market Products ("**Orders**") on behalf of a client.

"Equity Market Products" include:

- shares;
- interests in listed managed investment schemes (including exchange-traded funds);
- rights to acquire shares or interests in managed investment schemes under a rights issue; and
- CHESS Depository Interests ("**CDIs**") admitted to quotation on ASX.

UBSSA is acting "on a client's behalf" where UBSSA executes an Order on behalf of a client on one or both sides of a transaction.

## 3. Execution venues

### 3.1 For clients whose Orders are placed with UBSSA via an intermediary<sup>1</sup>, and unless otherwise notified by UBSSA – UBSSA may route Orders either:

- directly to the Order Books of licensed markets; or
- to the Order Books of licensed markets via a Crossing System (as permitted under a pre-trade transparency exception).

### 3.2 For clients who deal directly with UBSSA and act as principal in their dealings with UBSSA - UBSSA will

route Orders directly to the Order Books of licensed markets.

However, **if you have elected** to access one or more Crossing System for which you are eligible, and you have informed UBSSA of this election, UBSSA may also direct Orders to the Order Books of licensed markets via the Crossing System (as permitted under a pre-trade transparency exception).

If you **do not elect** to access one or more of the Crossing Systems for which you are eligible, your Orders will not be directed to Crossing Systems, even if a pricing benefit could be achieved. See section 7 for more information regarding specific instructions.

You should contact your UBS account manager if you require clarification on the execution venues available to you.

Note:

For existing or newly on-boarded direct clients as at the date of this document, you will shortly be contacted by UBSSA to give your election regarding your Crossing System preferences. Until you have made your election or 30 October 2015 (whichever the earlier), your Orders will be handled in accordance with section 3.1 of this document. After 30 October 2015, your Orders will not be directed to Crossing Systems unless you have opted-in as outlined above.

## 3.3 General

In this document, "Order Books" include:

- ASX TradeMatch
- ASX Centre Point
- Chi-X Australia

"Crossing System" means;

- a UBSSA Crossing System; or
- a Crossing System that is operated by a third party.

Notes:

A UBSSA Crossing System is an automated service provided by UBSSA to clients which matches Orders with Orders of: (a) UBSSA; or (b) other clients of UBSSA; or (c) any other person whose Orders access the automated service, otherwise than on an Order Book. A UBSSA Crossing System systematically seeks improvements in the price and/or volume to that available on the relevant Order Books.

Where a UBSSA Crossing System matches Orders the transaction will be reported to a licensed market.

UBSSA will route an Order to a particular Order Book or, if applicable, to the Crossing Systems in accordance with the best execution arrangements and Execution Criteria in section 4 below.

<sup>1</sup> An "**intermediary**" is typically a third party who has an arrangement with UBSSA under which UBSSA provides execution services directly to the clients of the intermediary. In this scenario, clients can only instruct UBSSA by giving an instruction to their intermediary.

## 4 Best execution arrangements

### 4.1 For clients whose Orders are placed with UBSSA via an intermediary, and unless otherwise notified by UBSSA

– UBSSA will take reasonable steps to execute your Orders on the basis of Best Total Consideration.

“Best Total Consideration” means the price of the Equity Market Product and the costs related to execution, including all expenses incurred by the client which are directly related to execution (for example, execution venue fees, clearing and settlement fees).

Where there are not material differences in transaction costs between Order Books, Best Total Consideration will mean Best Price. Where transaction costs become material, UBSSA will take this into account.

“Best Price” means the best purchase or sale price of an Equity Market Product.

### 4.2 For clients who deal directly with UBSSA and act as principal in their dealings with UBSSA - UBSSA will execute your orders on the basis of Best Price (defined above).

In certain circumstances, Best Price may not provide the best outcome for these clients. In such cases UBSSA may have regard to other considerations, including:

- explicit and implicit costs (for example, transaction costs and market impact, respectively);
- likelihood of execution; and
- speed of execution.

UBSSA will consider the relative importance of these considerations having regard to:

- the client;
- the Order;
- the Equity Market Product the subject of the Order; and
- the Order Books or, if applicable, the Crossing Systems to which the Order may be directed.

(collectively, “**Execution Criteria**”).

Note:

Where speed of execution is the most important consideration to you on a standing basis, the best outcome may be achieved by directing orders to a particular execution venue via certain components of the UBSSA automated trading system. If this is relevant to you, you should discuss the relevant requirements with your UBSSA account manager.

## 5 Different execution venue trading hours

UBSSA intends to trade on Order Books during the ASX continuous trading session and, in the event that Order Books are open outside of the ASX continuous trading session UBSSA may trade on those venues only where:

- there is sufficient liquidity on the remaining execution venues to deliver best execution; or
- a client instruction directs UBSSA to do so (refer section 7).

## 6 Methods of execution

UBSSA will use its proprietary automated trading system and smart order router as its primary execution tools. These systems are designed to deliver best execution by checking for the Best Price across all Order Books and, where applicable, Crossing Systems.

In certain circumstances, UBSSA may direct Orders manually to a specific Order Book. Such circumstances include, without limitation:

- the UBSSA trader determining on the basis of the Execution Criteria existing at the time the Order is placed that the best outcome for the client is likely to be achieved by manual order placement;
- where specific client instruction requires (refer section 7); and
- unavailability of the primary execution tools.

### Price movement after order transmitted

UBSSA will not re-transmit an Order it has already placed on one Order Book if a better price subsequently becomes available on another Order Book.

### Order routing logic where insignificant volume is available

UBSSA may elect to send 100% of an Order's volume to only one Order Book that offers the Best Price in situations where another Order Book also offers the Best Price, but only for an insignificant volume (for example, 10 shares).

### Market outages

In the event an Order Book other than ASX Trade Match is closed, UBSSA will continue to trade. In the event ASX Trade Match is closed, UBSSA will continue to trade only where:

- there is sufficient liquidity on the remaining execution venues to deliver best execution; or
- a client instruction directs UBSSA to do so (refer section 7).

### Limit orders

Limit Orders that cross the spread will be handled and executed according to the best execution arrangements of UBSSA. Limit Orders that do not cross the spread (namely, buy Orders priced at or lower than the best bid price and sell Orders priced at or higher than the best offer price), will be handled according to the best execution arrangements of UBSSA and will be placed on the relevant Order Book/s.

## 7 Specific instruction from a client

### 7.1 For clients whose Orders are placed with UBSSA via an intermediary and unless otherwise notified by UBSSA

UBSSA is unable to accept specific instructions directing an Order to a particular execution venue.

### 7.2 For clients who deal directly with UBSSA only and act as principal in their dealings with UBSSA -

Where you provide us with a specific instruction about how your Order should be executed, we will take reasonable steps to satisfy that instruction. However, you should be aware that a specific instruction may prevent us from obtaining the best outcome for you. Any specific instruction you give must be:

- clear and unambiguous; and

- provided on either an order-by-order basis or a standing basis for a period not exceeding 12 months.

Where you have chosen not to opt-in to access Crossing Systems, you will also be required to review this election on an annual basis, as such an instruction may also prevent us from obtaining the best outcome for you.

UBSSA will periodically review standing instructions to ensure performance of the instruction remains possible.

## 8 Demonstration of compliance

Upon receipt of a reasonable request by a client, UBSSA will demonstrate to the client that its Order was executed in accordance with the best execution arrangements of UBSSA. Reasonable requests should be made within three business days after the Order being executed.

The information that may be provided to a client to demonstrate best execution of a transaction will depend on circumstances. Such evidence may include; the time at which an Order was received, UBSSA's information of the terms of an Order, a description of the process by which the Order was processed in the UBSSA order management system, prevailing market data that was available to UBSSA at the time the Order was processed, identification of the venue selected by UBSSA and the reason for selecting the venue.

UBSSA will respond within a reasonable time after receiving the request.

UBSSA must take reasonable steps to obtain the best outcome for its clients when handling and executing orders, but this does not guarantee the best outcome. Possible reasons for not achieving the best outcome include latency in multi-market networks, processing times of trading and market systems, and booking times.

For clients whose Orders are placed with UBSSA via an intermediary – **your request must be directed to that intermediary.**

## 9 Notification of changes

Clients will be notified, where a change to this statement is material, and the following information will be published on the website <http://www.ubs.com/global/en/investment-bank/our-global-presence/apac/australia/australia-equities.html> when:

- there is a change to the Order Books and Crossing Systems as set out in this statement;
- there is a change in the circumstances in which Orders may be transmitted to Order Books;
- there is a change to the definition of Equity Market Products covered by these best execution arrangements; or
- any other material change is made.

This statement comes into effect on 11 September 2015.

**First issued 30 September 2011**  
**Current version 11 September 2015**

# Disclosure of Crossing System Information

This disclosure of Crossing System Information is made to you by UBS Securities Australia Limited ABN 62 008 586 481 AFS Licence No. 231098 (**UBS**) pursuant to the requirements of the ASIC Market Integrity Rules (Competition in Exchange Markets) 2011 (the **Rules**) for "Non-Public Crossing System Information."

A crossing system is an automated service which matches buy and sell orders electronically without first routing the order to an exchange or market which displays a public quote. The Crossing System Information is made in relation to the following Crossing Systems operated by UBS:

- UBS-PIN (ASIC Identifier Code 1501); and
- UBS-Cross (ASIC Identifier Code 1502).

This disclosure should be read in conjunction with the Publicly Available Crossing System Information that is published by UBS in relation to UBS-PIN and UBS-Cross (together Crossing Systems) at the following UBS web site:

<http://www.ubs.com/global/en/investment-bank/our-global-presence/apac/australia/australia-investo-client-services.html>. A hard copy of the Crossing System Disclosures is available on request. You can also refer to our website <http://www.ubs.com/global/en/investment-bank/direct-execution/why-ubs/access-to-liquidity.html> to access the most current information about our liquidity and crossing philosophy and execution venues.

Capitalised words and terms used and not defined in this document have the meanings given to them in the Rules. The Rules are published on the website of the Australian Securities and Investments Commission.

An "**intermediary**" is typically a third party who has an arrangement with UBS under which UBS provides execution services directly to the clients of the intermediary. In this scenario, clients can only instruct UBS by giving an instruction to their intermediary.

## 1. User Access and Obligations

UBS reserves the right to provide access to the Crossing Systems at its absolute discretion.

All orders submitted to the Crossing Systems are subject to such controls determined by UBS as amended from time to time. Unless agreed otherwise, access to the Crossing Systems is granted subject to the UBS terms of business applicable to you and UBS reserves the right to suspend or withdraw access at its absolute discretion and without notice.

Generally;

- UBS-PIN may be accessed by wholesale clients, retail clients via an intermediary and UBS principal orders from certain over-the-counter ("**OTC**") hedging activities (which is further described below in this document). UBS-PIN is not accessible by broker dealers or market makers.
- UBS-Cross may be accessed by a broad range of investors including broker dealers, market makers, wholesale clients and retail clients via an intermediary. It may also contain UBS principal orders from a range of activities, such as orders resulting from UBS's market making or facilitation services, and certain OTC hedging activity. UBS-Cross is enabled to receive orders from other third party Crossing System operators. Further details are set out in the Publicly Available Crossing System Information referred to above.

Additionally, although not through its Crossing Systems, UBS operates a smart order router that is enabled to transmit orders to a crossing system operated by a third party. Further details are set out in the Publicly Available Crossing System Information referred to above.

You may place an order with UBS via your intermediary. UBS-PIN can only be accessed by an order that has been processed by a UBS algorithm, or for certain service offerings where orders are submitted via direct market access technology, orders may also be routed via UBS-PIN on the way to Market. The applicable UBS algorithm will determine

the manner in which an order will be submitted to UBS-PIN including the price and quantity. UBS-Cross may be accessed in the same manner as UBS-PIN and/or directly by FIX connection.

## 2. Order Types

An order may be generated and entered into the Crossing Systems by a UBS algorithm. UBS offers a suite of algorithmic trading strategies which offer varying levels of interaction which can be set according to the user's preference. Further information about UBS algorithmic trading strategies is available on request.

Any order submitted by you may be entered into the Crossing Systems subject to the access granted to you.

An order submitted to the Crossing Systems may be matched at the mid-point where the spread between bid and ask is one tick but an order will not cross the spread to match the priority bid or ask unless permitted by the "Pre-Trade Information – Exceptions" set out in the Rules. With the exception of matching at the mid-tick, UBS does not offer fractional tick order types or limits to clients other than half a valid exchange price tick.

Orders that remain unexecuted at the end of the day will be purged from the Crossing Systems.

In order to achieve an optimum execution outcome an order may interact with liquidity available on a Market of which UBS is a Participant. Orders may be placed in the Crossing Systems while simultaneously posted to the Market. When a crossing opportunity is available in the Crossing Systems, the order posted to the Market will be cancelled or reduced accordingly before being matched in the Crossing System. UBS is a Participant of the Markets operated by ASX and Chi-X.

## 3. Operations

The Crossing Systems are operational during the hours of 10.00-16.00 on a Trading Day. All orders,

irrespective of the user, are accepted by the Crossing Systems and queued on the basis of time and price priority. Where an order is directed to the Crossing Systems by a UBS algorithm you are able to determine the price and quantity of the order in the algorithm and the algorithm will determine the slices of the order to be sent to the Crossing Systems according to the rules of the applicable algorithmic trading strategy.

UBS does not undertake directional principal trading however UBS may (but does not always) direct to the Crossing Systems orders as Principal as a consequence of its agency related services and risk management practices. Accordingly UBS Principal orders arising from activities including facilitation, market making and hedging may be directed to the Crossing Systems. In general, UBS directs Principal orders resulting from certain OTC hedging activity to UBS-PIN and Principal orders resulting from its market making and facilitation services, as well as certain OTC hedging activity to UBS-Cross. Where UBS Principal orders (including orders placed by companies in the UBS Group) are directed to the Crossing Systems, those orders are accepted and treated on equal terms with client orders and processed in turn.

An order which is entered into a Crossing System interacts with all other liquidity in the Crossing Systems on the basis of time and price priority. A minimum execution quantity (MEQ) may be determined by a UBS algorithm when accessing the Crossing Systems. Where MEQ is specified this attribute will be used to match orders and orders below the MEQ will not be matched with time priority. This method of operation applies to all orders, including UBS Principal orders placed by all users of the Crossing Systems.

UBS does not offer the functionality for an order to interact with selective types of liquidity in the Crossing Systems. Similarly, UBS does not support selective use of Crossing Systems on an order by order basis. Your participation in having your orders sent to Crossing Systems can be discussed directly with your intermediary.

In accordance with UBS arrangements for the management of conflicts of interest the operation of the Crossing Systems is conducted in a part of UBS's premises that is physically and electronically segregated from UBS's other sales and trading activities.

Accordingly orders directed to the Crossing Systems are confidential and are not disclosed to non-electronic Sales and Trading desks (unless you place your order with such a desk) or advertised by way of indications. No incentives are paid by UBS to any third party for selecting Crossing Systems as execution venues.

Transactions matched in the Crossing Systems are reported to a Market operated by either ASX or Chi-X of which UBS is a Participant. UBS will select the venue for reporting at its absolute discretion having regard to matters, including but not limited to its best execution obligations and administrative and procedural arrangements.

UBS monitors the operation of the Crossing Systems. This monitoring function is performed by a team that is physically and electronically segregated from general UBS sales and trading teams. Monitoring processes are designed to ensure that the Crossing Systems are operating normally and that any system failures are identified promptly and remediated in accordance with established and tested business continuity plans. In the event the Crossing Systems are inoperable orders will ordinarily be directed to a Market for execution and where required you will be notified.

#### **4. Fees**

You will not be charged additional fees as a result of your participation in the Crossing Systems.

**Dated 11 September 2015**

# Contact Information

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