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Account Terms and Conditions

Crestone Wealth Management

Preparation date: 31 March 2016

This document will take effect from the date that Crestone Holdings Limited (ABN 41 606 011 974) completes its acquisition of UBS . Wealth Management Australia Ltd (ABN 50 005 311 937 AFS Licence No. 231127). The completion date will be notified in due course. On the completion date, UBS Wealth Management Australia Ltd will be renamed Crestone Wealth Management Limited. At that time, Crestone Wealth Management Limited will cease to be a Related Body Corporate or other affiliate of, or sponsored by, UBS AG and its Related Bodies Corporate.

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Introduction to these Account Terms and Conditions

What you can find in this document

This document contains the master Account Terms and Conditions for clients of Crestone Wealth Management, and relates to the account types and the wide range of products and services we offer. We refer to this document as these Terms. This and other capitalised terms are defined in section 5.

Depending on the account type and the products and services that you choose, you may need to refer to additional documents that contain more terms and conditions. Below, we describe the additional documents that should be read with these Terms, depending on your choices.

When you lodge an Application or place an Order with us, you agree to the terms and conditions set out in these Terms and in any additional documents that apply.

We recommend you keep these Terms and any additional documents that apply, for future reference.

Other documents you should refer to

In this introduction, we describe:

- the main account types available;
- documents you should refer to for other terms and conditions in addition to these Terms; and
- specific products and services we offer where additional documents are required.

The table below shows the terms and conditions that apply to each account type—unless we specifically tell you they do not. The table also provides an overview of the additional documents that apply to specific products and services we offer. More information about each of our account types and the specific products and services, is provided later in this introduction.

Summary of documents required

Account types—relevant terms and additional documents

Account type	Relevant sections in these Terms	Additional documents required	Issuer of additional documents
Asset Advisory	1, 2 and 5	IDPS Guide and FSG	Crestone Wealth Management
Wealth Advisory	1, 2 and 5	IDPS Guide and FSG	Crestone Wealth Management
Discretionary Portfolio Management (DPM) Service	1, 2, 3, 4 and 5	Investment Program and FSG	Crestone Wealth Management
Custody	1, 2, 3 and 5	FSG	Crestone Wealth Management

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Account type	Relevant sections in these Terms	Additional documents required	Issuer of additional documents
Broker Sponsored	1, 2 (including Schedules) and 5	Various additional documents and FSG	Service Provider we appoint as Market Participant, and Crestone Wealth Management (FSG only)
Issuer Sponsored	1, 2 and 5	Various additional documents and FSG	Service Provider we appoint as Market Participant, and Crestone Wealth Management (FSG only)
FIM Custody and Reporting	1, 2 and 5	FIM IDPS Guide and FSG	Crestone Wealth Management

Products and services where additional documents apply

Product or service	Additional documents required	Issuer of additional documents
Cash management services	In most cases, yes	Service Provider we appoint for cash management services
Exchange traded options	Yes	Service Provider we appoint as Market Participant
Margin Loans	Yes	Service Provider we appoint to provide Margin Loans
Term Deposits	Yes	Service Providers we appoint to provide Term Deposits

More information about our main account types

Asset Advisory

What you receive with this account: With an Asset Advisory account, we provide holistic advisory and portfolio management services, and you retain all investment decisions. We provide you with advice on portfolio construction and individual investment selection across our entire domestic and international Financial Product universe and we execute, or arrange for a Service Provider to execute, your Transactions. You also receive our comprehensive portfolio administration and reporting services.

Where your Financial Products are held: Your Portfolio is held under the Investor Directed Portfolio Service (IDPS) known as the Crestone Wealth Management Portfolio Service. You appoint us as your custodian and your Financial

Products are held by our Sub-Custodians. You retain the beneficial ownership of the Financial Products that are held under the IDPS, and we keep a record of those Financial Products.

If you have a Margin Loan with a Service Provider, Financial Products that you provide as collateral for the Margin Loan will be held outside of the IDPS, under that Service Provider's separate collateral arrangements. We do not arrange access to Margin Loans for Retail Clients.

Wealth Advisory

What you receive with this account: With a Wealth Advisory account, we provide holistic advisory and portfolio management services, and you retain all investment decisions. We provide you with advice on portfolio construction and individual investment selection across our entire domestic and international Financial Product universe and we execute, or arrange for a Service Provider to execute, your Transactions. We also provide you with access to a wealth planner who will give you specialist advice on a range of important elements of investing including estate planning, retirement planning and superannuation, as well as insurance and risk management. You also receive our comprehensive portfolio administration and reporting services.

Where your Financial Products are held: Your Portfolio is held under the IDPS known as the Crestone Wealth Management Portfolio Service. You appoint us as your custodian and your Financial Products are held by our Sub-Custodians. You retain the beneficial ownership of the Financial Products that are held under the IDPS, and we keep a record of those Financial Products.

If you have a Margin Loan with a Service Provider, Financial Products that you provide as collateral for the Margin Loan will be held outside of the IDPS—under that Service Provider's separate collateral arrangements. We do not arrange access to Margin Loans for Retail Clients.

Discretionary Portfolio Management (DPM) Service

What you receive with this service: With the DPM Service, we provide you with portfolio management services, and manage and deal with your Portfolio in accordance with an Investment Program. The DPM Service provides you with the simplicity of choosing a model portfolio under the Investment Program, rather than choosing particular Financial Products. A specialist Investment Manager makes investment decisions about the composition of your Portfolio in line with the model portfolio you choose. Under the DPM Service, you can invest in a broad range of domestic and international Financial Products, whether they are listed or unlisted, and you can choose from a range of different investment styles, including by specific asset class. You also receive our comprehensive portfolio administration and reporting services.

Where your Financial Products are held: You appoint us as your custodian in relation to your DPM Service account and your Financial Products are held by our Sub-Custodians. You retain the beneficial ownership of the Financial Products that are held in the DPM Service account, and we keep a record of those Financial Products.

If you are a Wholesale Client of a Financial Intermediary, you may have access to our DPM Service.

If you have a Margin Loan with a Service Provider, Financial Products that you provide as collateral for the Margin Loan will be held outside of the DPM Service under that Service Provider's separate collateral arrangements. We do not arrange access to Margin Loans for Retail Clients.

Introduction to these Account Terms and Conditions

Custody

What you receive with this account: With a Custody account, we may provide you with advisory services, and based on your instructions we execute, or arrange for a Service Provider to execute your Transactions for Financial Products. We do not provide this service for Managed Funds and our comprehensive portfolio reporting services are not available for Custody accounts.

Where your Financial Products are held: A Custody account also provides you with the simplicity of having your Portfolio held in custody for you. You appoint us as your custodian and your Financial Products are held by our Sub-Custodians. You retain the beneficial ownership of the Financial Products that are held in your Custody account, and we keep a record of those Financial Products.

If you are a client of a Financial Intermediary, you may have access to a Custody account.

If you have a Margin Loan with a Service Provider, Financial Products that you provide as collateral for the Margin Loan will be held outside of your Custody account under that Service Provider's separate collateral arrangements. We do not arrange access to Margin Loans for Retail Clients.

Broker Sponsored

What you receive with this account: A Broker Sponsored account allows you to trade and invest in domestic listed securities only and we sponsor your holdings. With Broker Sponsored accounts, you may receive advisory services. However, our comprehensive portfolio reporting services are not available.

If you are a client of a Financial Intermediary, you may have access to a Broker Sponsored account.

How it works: With a Broker Sponsored account, we use the ASX system for settlement and registration of security ownership.

You appoint us as your Controlling Participant on the CHESSE Subregister, and you are given a unique Holder Identification Number (**HIN**). This is used to identify all your holdings, which we match to the CHESSE Subregister.

If you also want to trade and invest in domestic or international Financial Products that are securities (and not Managed Funds) and which cannot be held on a Broker Sponsored basis, you will also need a separate Custody account.

Issuer Sponsored

What you receive with this account: An Issuer Sponsored account allows you to trade and invest in domestic listed securities and hold them in your own name on the security register of the issuer. With Issuer Sponsored accounts, you may receive advisory services. However, our comprehensive portfolio reporting services are not available.

If you are a client of a Financial Intermediary, you may have access to an Issuer Sponsored account.

How it works: With an Issuer Sponsored account, the issuer of the Financial Products you own keeps the record of your holding. You are given a Securityholder Reference Number (**SRN**), which identifies you on the issuer's security subregister.

If you also want to trade and invest in domestic or international Financial Products that are securities (and not Managed Funds) and which cannot be held on an Issuer Sponsored basis, you will also need a separate Custody account.

FIM Custody and Reporting

What you receive with this account: A FIM Custody and Reporting account is only available if you are a client of another wealth management group with which we have an arrangement to provide you with products and services, referred to as a Financial Intermediary. With this account, your Portfolio is held under the IDPS known as the Crestone Wealth Management Portfolio Service. We do not provide you with financial product advice that is personal advice, and we take instructions on your account from the Financial Intermediary. Our comprehensive reporting service is available with these accounts.

Where your Financial Products are held: You appoint us as your custodian and your Financial Products are held by our Sub-Custodians. You retain the beneficial ownership of the Financial Products that are held in the FIM Custody and Reporting account and we keep a record of those Financial Products.

If you have a Margin Loan with a Service Provider, Financial Products that you provide as collateral for that Margin Loan will be held outside of the IDPS under that Service Provider's separate collateral arrangements. We do not arrange access to Margin Loans for Retail Clients.

More information about our products and services

Products and services available

We provide access to a broad range of products and services that are domestic and international. The products can come in a range of investment types—either securities held directly, such as shares and corporate bonds, or which are held indirectly via Managed Funds. Financial Products can also be accessed on various Exchanges or arranged as over-the-counter Transactions.

Cash management is central to the services that we provide. Your money can be held in Australian dollars or in approved foreign currencies. Subject to meeting approval criteria, you can also trade in foreign exchange spot contracts and, if you are a Wholesale Client, you can trade foreign exchange forward contracts and access Margin Loans in Australian dollars and approved foreign currencies. In addition to this, you can access Australian dollar and foreign currency Term Deposits with a range of Banks.

Providers of products and services

Many of the services available to you are provided by us. We also provide access to markets where many of the Financial Products you can invest in are available. Some products and services, such as Margin Loans and Term Deposits, are provided by other parties or Service Providers. We also use the services of Sub-Custodians and executing brokers for some products and services.

A list of our key Service Providers can be found on our website at crestone.com.au.

Section 1

Relationship Terms

1 Relevant information and definitions

The master terms and conditions on which we will provide products and services to you are set out in:

- (a) this section 1 (**Relationship Terms**); and
- (b) section 2 (**Transaction Terms**)—excluding the Schedules.

Additional terms that apply to particular accounts and services are set out in:

- (a) the Schedules to section 2;
- (b) section 3 (**Custody Terms**);
- (c) section 4 (**DPM Terms**); and
- (d) any other terms and conditions that we tell you apply (**Specific Service Terms**).

The Specific Service Terms will prevail if there is any inconsistency between:

- (a) on the one hand, the Relationship Terms and the Transaction Terms (excluding the Schedules); and
- (b) on the other hand, the Specific Service Terms.

Capitalised terms in these Terms are defined in section 5, which applies to all account types. References to **we**, **us** and **our** are to Crestone Wealth Management. References to **you** and **your** are to:

- (a) the person who is (or people who are) named in the Application or, if different, the person identified in our records as an account holder; and
- (b) if there are more than one of you, each of you separately and every two or more of you jointly.

2 Account requirements

You will need to have an account with us before we can provide products and services to you. Any account you have with us is a central record of your dealings with us in relation to a particular product or service (which may be held with, or provided by, another Crestone Company or a third party). We may open more than one account for you.

To open an account with us, you must complete and sign an Application and give us the information that we ask you for (generally, this is set out in the Application).

We are not obliged to accept your Application for an account. Your Application, the Terms that apply to your account and any Specific Service Terms that apply to your account make up the agreement between you and us.

3 Minimum investment amounts

We may decide that you must invest a minimum amount to receive products and services from us. We may also decide that you must maintain a minimum investment amount to continue to hold an account with us.

4 Communicating with each other

4.1 You consent to us delivering certain documents to you electronically

You agree that we can give you any of the information, or material, listed below by email or by Electronic Means:

- (a) confirmations of Transactions;
- (b) Fee invoices;
- (c) our regular portfolio reporting and our annual tax statements;
- (d) financial services guides including our FSG;
- (e) offer documents (including Product Disclosure Statements and prospectuses);
- (f) marketing and informational material;
- (g) documentation (including terms and conditions) issued by a Service Provider;
- (h) any other information that you ask for or agree that we can send you in any of those ways; and
- (i) any other information, or any Notices, that we decide.

These documents are referred to collectively as **Electronic Delivery Documents**.

If we make an Electronic Delivery Document available to you by Electronic Means, we will tell you verbally, or we will give you Notice in printed or electronic form, that the Electronic Delivery Document is available and how you can access it.

To the extent that we are required by any law or Relief to accept a withdrawal, you may withdraw your consent to delivery by email or Electronic Means of any of the Electronic Delivery Documents by giving us Notice in writing at any time.

To the extent that we are not required by any law or Relief to accept a withdrawal of your consent to delivery by email or Electronic Means of any of the Electronic Delivery Documents, you agree that we may always deliver Electronic Delivery Documents to you in those ways.

Section 1

Relationship Terms

4 Communicating with each other (cont.)

4.2 Your personal information and the security of documents sent by email or Electronic Means

You acknowledge that:

- (a) confirmations will contain personal information about you and your Transactions; and
- (b) the delivery to you by email or Electronic Means may be through unsecure email or other unsecure means.

4.3 Risks of communicating electronically

You acknowledge that there are a number of risks associated with communicating by email or Electronic Means. For example:

- (a) there may be transmission errors, failures and interceptions—emails may be altered, misrouted, delayed or deleted due to technical failures during transmission, or they may be intercepted by third parties;
- (b) there is no way for the person who receives the electronic communication to verify its integrity, or to verify the sender and the content;
- (c) electronic communications may be of poor quality and unclear (you should contact us if this is the case to ask for a legible copy); and
- (d) damage can be done to the person who receives the communication, and electronic communications from us can be faked—for example, this may happen due to email or computer viruses that are created by third parties.

4.4 Notices that we send you

We may send you notices to any of the postal addresses, facsimile numbers, or email addresses that you give us in your Application (or that you give us at other times), or by using Electronic Means.

You will be responsible for making sure that we have your current postal address, facsimile number and email address.

If you wish to change any contact details that you have given us, you need to contact us and let us know as soon as the change takes effect.

You will be taken to have received any notices that we give you if they are delivered to the postal address, facsimile number or email address that you have most recently given us, or if they are delivered using Electronic Means.

Any notice or confirmation that is given in this way is taken to be received:

- (a) on the day that it was transmitted (if it was delivered by facsimile or email);
- (b) on the Business Day after the day that it was sent (if it was delivered by post to an address in Australia);

4 Communicating with each other (cont.)

- (c) on the third Business Day after the day that it was sent (if it was delivered by post to an address outside Australia); or
- (d) on the day of notification under clause 4.1 (if it was delivered by Electronic Means).

4.5 Notices that you send us

Any notice that you give us:

- (a) must be in writing;
- (b) must be sent to the address that is stated in the Application, or that we give you at a later time; and
- (c) is taken to have been given to us when we actually receive it.

4.6 Giving us your instructions

4.6.1 You may need to give us instructions

When we provide products and services to you, there will be times when you will need to give us instructions. You will usually give us your instructions verbally (by telephone) or in person. However, we may also ask you to give us certain instructions in writing.

4.6.2 Giving instructions if you have appointed a Financial Intermediary

If you have appointed a Financial Intermediary, you must give your instructions to your Financial Intermediary. Your Financial Intermediary is responsible for giving your instructions to us.

If you have appointed a Financial Intermediary, we will generally not accept instructions directly from you.

4.6.3 Orders by email or by Electronic Means

If you give us an Order by email or by Electronic Means, the Order will be taken to have been received on the date and at the time that we contact you to confirm the Order.

We do not give you any commitment or guarantee that we will contact you to confirm the Order at the time, or on the date, that it was successfully transmitted to us.

You accept the risks of (and release us from any liability that arises from) any delay in confirming your Order.

By giving us an Order by email or by Electronic Means, you:

- (a) understand that the personal information that is contained in the Order will be delivered to us by unsecure email or other unsecure means; and
- (b) accept (and release us from any liability that arises from) the risks of communicating by email or Electronic Means in clause 4.3.

Section 1

Relationship Terms

4 Communicating with each other (cont.)

4.7 Authenticity of instructions

If we receive a communication that we think is from you, we may:

- (a) always treat that communication as having been given by you; and
- (b) rely on that communication without making any further enquiries.

When we receive an instruction from you in any way, we are not responsible for confirming to you that the instruction has been received, or for verifying that your instruction is authentic.

4.8 Appointment as your agent and attorney generally

You appoint us as your agent and attorney to take all steps, complete all documents and do anything that we reasonably believe is necessary to:

- (a) give effect to your instructions; or
- (b) perform any obligation, or exercise any right, that we have under these Terms.

You agree that we may do things in relation to you in connection with these Terms either on your behalf as your agent, or on our own behalf as principal, as we decide in any particular situation.

4.9 People that you appoint to give us instructions

4.9.1 You may appoint another person to give us instructions

You may decide to appoint a person (which includes a Financial Intermediary) to give us instructions on your behalf.

If you appoint an Authorised Person, that person can give us instructions to operate your account with us, including instructions about the disposal of Financial Products.

If you appoint an Authorised Person, you will be responsible for everything that your Authorised Person does or does not do. This includes if your Authorised Person acts:

- (a) outside the scope of the authorisation that you gave them; or
- (b) in error, fraudulently, negligently, in breach of their fiduciary duties or criminally.

When we receive a communication from your Authorised Person, we can always treat that communication as having been given by you, and we may rely on that communication without making further enquiries if it is given, or if we think that it is given, by that Authorised Person.

4.9.2 Our liability for things that are done by your Authorised Person

If you incur any Loss as a result of anything that is done (or not done) by your Authorised Person, you agree that you will not make any Claim against us for the Loss.

4 Communicating with each other (cont.)

4.9.3 If your Authorised Person lives outside Australia

We may refuse to accept instructions from an Authorised Person who lives outside Australia.

If you become aware that your Authorised Person lives outside Australia:

- (a) you must tell us immediately; and
- (b) we may not be able to accept any instructions from your Authorised Person.

4.9.4 You may cancel your Authorised Person's authority

You may cancel your Authorised Person's authority at any time by giving us Notice. However, you will be liable for any actions that we take on the instructions of the Authorised Person that we received before you cancel the authority (including any Fees and Costs that arise from those actions).

We may also give you Notice that we do not accept instructions from your Authorised Person.

4.9.5 If your Authorised Person holds an AFS Licence

If the person you wish to appoint as an Authorised Person holds an AFS Licence, or is an authorised representative of a holder of an AFS Licence, we may require that person to enter into a separate agreement with us that governs the arrangements between us and that person, before we can accept instructions from them.

If, after we enter that agreement, it ends for any reason, we may refuse any instructions from the person who was the other party.

4.10 Security Interests that you have granted

The following rules apply in respect of each Crestone Secured Party, you:

- (a) irrevocably authorise us (meaning you cannot withdraw your authority) to:
 - (i) act on the instructions of that Crestone Secured Party in relation to the Liquidation of your Financial Products; and
 - (ii) pay the proceeds of the Liquidation to the relevant Crestone Secured Party (or to another person that the relevant Crestone Secured Party nominates) up to the value of the total amount you owe to each Crestone Secured Party from time to time (under any agreement between you and the relevant Crestone Secured Party);
- (b) irrevocably authorise us to refuse to act on your instructions, or on the instructions of any Authorised Person, if we are asked to do so by a Crestone Secured Party (or another person authorised by a Crestone Secured Party); and

Section 1

Relationship Terms

4 Communicating with each other (cont.)

- (c) indemnify, release and discharge any Crestone Secured Party (including any person authorised by a Crestone Secured Party) against all actions, losses, liabilities, proceedings, suits, costs, claims and demands that you, or any person, make in relation to the exercise of the authority under this clause 4.10. This indemnity is a continuing indemnity and survives the termination of any agreement between you and any Crestone Secured Party.

5 What you have to pay us

5.1 Fees and Costs

We may charge you Fees for the products and services that we offer. We will decide what these Fees will be and we will tell you what Fees you will need to pay.

Fees that we may charge you include Fees that may be calculated by reference to:

- (a) the number or value of Transactions that we execute, or arrange a Service Provider to execute, in relation to you; and/or
- (b) the value of your Portfolio.

We will also charge you for our Costs incurred in providing products and services to you and arranging for Service Providers to provide products and services to you. We will tell you what our Costs are as they arise.

5.2 Your payment obligations

You agree to pay us the following amounts on demand:

- (a) Fees and Costs that we are entitled to for the products and services that you obtain from us and our Service Providers (including any Fees and Costs that we tell you about);
- (b) all amounts that we or a Service Provider (or both of us) are entitled to recover from you, including:
 - (i) settlement money that you need to pay; and
 - (ii) amounts that you indemnify us or a Service Provider (or both of us) for (including all Costs and Losses on a full indemnity basis);
- (c) interest on any unpaid amount that is due to us or a Service Provider (or both of us), but which you have not paid, for the period that the amount remains unpaid, and which is calculated at a rate each year that is equal to three percent (3%) above the Reserve Bank of Australia cash rate or any rate that is substituted for that rate;
- (d) any other amounts that are agreed between us or a Service Provider (or both of us) and you, from time to time; and

5 What you have to pay us (cont.)

- (e) all Tax that you must pay in connection with:
 - (i) the products and services that are provided to you; and
 - (ii) the amounts referred to in clause 5.2(a)-(d), including any GST (or other value added tax) that applies and any Tax referred to in clause 6.

5.3 Your debit authority

You agree that we, or any Service Provider, may deduct all amounts that are due to us under this clause 5 from:

- (a) the proceeds of any withdrawal that we are authorised to make from a Cash Management Account of yours or a Transaction Settlement Account of yours;
- (b) money that is held for you in any other account for which we have, or a Service Provider has, authority to transfer funds in relation to you; or
- (c) money that we or a Service Provider receive that is to be paid to you, or that will be paid by you, as stated in a confirmation.

A Service Provider will account to us for the amounts that are paid to, or deducted by, them to which we are entitled, and we will account to them in the same way.

5.4 Charge

- (a) Without limiting any right under this clause 5, all Financial Products or money that a Crestone Company or a Sub-Custodian may hold at any time for you will be subject to a charge in our favour to secure any payment or performance obligations that you owe to us. We will have the right to sell or otherwise realise any Financial Product that a Crestone Company or a Sub-Custodian holds for you at any time to pay a debt, or to satisfy any other obligation, that you owe to us.
- (b) We can use any authority that has been granted to us to sell or otherwise realise any Financial Products in your account and use the proceeds to satisfy any payment or performance obligation that you owe to us or to a Service Provider (or to both of us).
- (c) If you are a Retail Client, we may not take or grant a charge (or any other security interest, mortgage or other encumbrance) over or in relation to the Financial Products held in your Asset Advisory, Wealth Advisory, DPM Service, Custody or FIM Custody and Reporting account, for our unpaid Fees.

5.5 Your acknowledgment about Fees or commissions

You acknowledge that we may pay Fees or commissions to, or receive Fees or commissions from, a Service Provider in connection with products and services that are provided to you.

Section 1

Relationship Terms

6 Deductions of Tax

We may deduct amounts for Tax that we are (or that we reasonably believe we are):

- (a) required to deduct or withhold; or
- (b) liable or accountable for under the law or practice of any Regulatory Agency in any jurisdiction.

You agree that we are not liable to you for deducting or withholding any amounts for Tax, or for paying those amounts to a Regulatory Agency.

If you are a non-resident of Australia (or a resident of Australia who has applied for our products or services jointly with a non-resident), the total amount of income from Financial Products or money that you hold in a Cash Management Account or a Transaction Settlement Account may be subject to Tax (including withholding tax).

The rate of withholding tax will be the rate that applies for the non-resident, as long as, in the case of an account that is held jointly with an Australian resident, the Australian resident has quoted their TFN.

7 Joint Accounts

If you have a Joint Account, you agree that:

- (a) the liabilities of all the account holders are joint and several. This means that the account holders are together (in any combination), and also separately, responsible for any liability;
- (b) we are authorised to follow the instructions given to us by any of the account holders—and you agree that each account holder will be bound by those instructions;
- (c) we are under no obligation to make enquiries about the instructions that are given to us by any of the account holders, including instructions about the acquisition or disposal of Financial Products or the payment of money; and
- (d) we can deliver any or all of the Financial Products or money in the account to any of the account holders.

8 Survivorship

8.1 Sole account holder

If you are a sole account holder and we are told of your death, we will:

- (a) complete or close, or arrange for the completion or closure of, any binding but incomplete Transactions involving your Portfolio; and

8 Survivorship (cont.)

- (b) apart from the transactions identified in clause 8.1(a), only deal in, or manage (under the DPM Terms), your Portfolio on the instructions of the person appointed as your personal representative or (if none) the person who is the successor in title to the Financial Products in the Portfolio.

However, we will not take instructions from your personal representative or successor until we receive evidence that satisfies us of their status.

8.2 Joint Account holder

If you hold a Joint Account and we are told of the death of any one of the account holders, we will treat the person (or people) who survive(s) as the person (or people) entitled to the Financial Products in the Portfolio and who can give us instructions. Any agreements that you have with us will continue with the person (or people) who survive(s).

9 Use of Service Providers

9.1 Products and Services that we provide to you

When we provide products and services to you, we can appoint one or more Service Providers (including another Crestone Company) to carry out our duties under these Terms, on any terms as we think are appropriate.

We will only be liable for what our Service Providers do if we did not take care when we selected them—unless the Service Provider is another Crestone Company. This is also subject to clause 9.2 and to any Regulatory Requirement to the contrary.

9.2 Products and services that others provide to you

We may also make Service Providers available to you who will have a direct relationship with you, and who will provide their own products and services to you. For example, this will happen if you:

- (a) have a Broker Sponsored account or an Issuer Sponsored account;
- (b) use cash management services (including foreign currency balances), except to the extent that your cash is managed through a deposit account that we hold as referred to in clause 10.2;
- (c) trade exchange traded options;
- (d) take out a Margin Loan;
- (e) take out a Term Deposit; or
- (f) deal in an over-the-counter structured product.

We have no liability to you in connection with the direct relationship between you and a Service Provider or the products or services they give you.

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Relationship Terms

10 Cash management and your money

10.1 Transaction Settlement Accounts

If you have a Broker Sponsored account or an Issuer Sponsored account:

- (a) an **Individual Linked Account** that you nominate and we accept for the purposes of this clause will be a Transaction Settlement Account of yours;
- (b) unless otherwise agreed, we require you to have a Transaction Settlement Account for the purposes of settling your Relevant Exchange Transactions; and
- (c) your Transaction Settlement Account must be denominated in Australian dollars.

10.2 Cash Management Accounts

If you have an Asset Advisory, Wealth Advisory, DPM Service, Custody or FIM Custody and Reporting account:

- (a) we will require you to deposit money into a deposit account that we hold with an Australian bank for the purposes of settling your Transactions and the payment of your Fees;
- (b) a **Cash Management Account** of yours, represents the proportion (if any) of the balance of that deposit account that is attributable to you;
- (c) you must have at least one Cash Management Account denominated in Australian dollars for the administration of your Portfolio;
- (d) you may have additional Cash Management Accounts in approved foreign currencies;
- (e) we will credit any income that is paid to us for your Financial Products to Cash Management Accounts of yours; and
- (f) the balance of the deposit account we hold with an Australian bank represents a debt owed by the bank to us; we will hold a corresponding portion of that debt on bare trust for you.

10.3 Appointment as your agent and attorney in relation to Individual Linked Accounts

Without limiting clause 4.8 or 28.8, you appoint us as your agent and attorney with the power to take all steps, complete all documents and do anything that we reasonably believe is necessary (including, without limitation, signing any documents) to:

- (a) establish, operate and maintain an Individual Linked Account for you;
- (b) provide a direct debit authority to directly debit amounts from your Individual Linked Account and transfer these amounts either, if you have a Broker Sponsored or Issuer Sponsored account, as may be necessary in relation to your Relevant Exchange Transactions, or otherwise, to a Cash Management Account of yours and also, in any case to the extent that such amounts are owed to us under clause 5;

10 Cash management and your money (cont.)

- (c) perform any tasks in relation to the Individual Linked Account opened on your behalf which are administrative or routine in nature; and
- (d) view details and transaction data for the Individual Linked Account electronically through the electronic facility offered by the bank with which the Individual Linked Account is held.

10.4 Trust money

We will pay any money that we (or our Service Providers who are acting on our behalf) receive for you into a trust account in accordance with Part 7.8 of the Corporations Act and, if they apply, the Relevant Exchange Rules.

We may use that money in accordance with the Corporations Act, the Exchange Rules (if they apply) and our agreements with you.

Depending on the products and services that you choose to receive from us, we (or our Service Providers who are acting on our behalf) may:

- (a) hold your money in a trust account; and
- (b) combine your money and the money of other Crestone Company clients in that trust account.

10.5 Interest

If we hold money in a trust account for you, we can keep any interest that is earned on that money—except to the extent that we specifically agree in writing that we will not.

10.6 Unclaimed money

We will deal with unclaimed funds in accordance with the Regulatory Requirements.

11 Personal Property Securities Act

11.1 Application of the Personal Property Securities Act

These Terms may create a Security Interest in our favour in your Financial Products or in your money under the PPSA. This clause 11 is intended to protect any such Security Interest.

11.2 Our authority to register the Security Interest

To protect any Security Interest that we may have in any of your Financial Products or in your money that arises under these Terms, we may need to register that interest on the PPS Register by lodging a financing statement.

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Relationship Terms

11 Personal Property Securities Act (cont.)

You agree that:

- (a) we may, at your cost, register one or more financing statements or financing change statements in relation to our Security Interests;
- (b) we do not have to give you notice of any verification statement that relates to the registration of any such financing statement or any related financing change statement—except to the extent that the law specifically requires us to; and
- (c) you must give us any information that we (or any person who has agreed to act on our instructions) need to make sure that any registration of our Security Interest on the PPS Register is and remains fully effective or perfected (or both) and that the Security Interest has the priority that we require.

11.3 Contracting out of the Personal Property Securities Act

To the extent that the PPSA allows, the enforcement provisions that are referred to in sections 115(1) and 115(7) of the PPSA do not apply to the enforcement of our rights under these Terms, to the extent that they impose obligations on us.

You waive your right to receive from us any notice required under section 157 of the PPSA or the provisions of the PPSA referred to in section 144 of the PPSA.

This means, for example, that except to the extent that the PPSA requires (and to the extent that the law allows):

- (a) we do not have to give you any Notice under, or in connection with, the PPSA, including a Notice about the enforcement of any Security Interest that we may have in your Financial Products or your money;
- (b) if we seize any of your Financial Products or your money by any method that the law allows, we may store, value and deal with that property in any way that we decide;
- (c) we do not have to give you a statement of account if we dispose of your property when enforcing our Security Interest;
- (d) no other person with a Security Interest in your Financial Products or money that we may dispose of is, when enforcing their Security Interest, entitled to redeem that property; and
- (e) we may purchase any of your Financial Products in any way that we decide, including by way of auction, public tender or acquisition for market value.

11.4 Chattel paper

If we ask for it, you must give us (or any person who has agreed to act on our instructions) possession of any Financial Product that is considered to be chattel paper for the purposes of the PPSA. This may include, for example, a relevant hire purchase agreement, equipment lease or chattel mortgage.

11 Personal Property Securities Act (cont.)

11.5 Circulating assets

If we have a Security Interest in any of your property that is an ADI account, currency, inventory or a negotiable instrument (as each is defined in the PPSA), you must do anything that we (or any person who has agreed to act on our instructions) may need to enable us to control that collateral for the purposes of section 340(2)(b) of the PPSA.

If you have to do anything under this clause 11.5, we will tell you what it is before you must do it.

11.6 Perfection by control

- (a) If we have a Security Interest in any of your Financial Products or money, you must do anything that we (or any person who has agreed to act on our instructions) may need to enable us to perfect our Security Interest by control.
- (b) Without limiting clause 11.6(a), if we have a Security Interest in one of your Financial Products that is considered to be an intermediated security (as contemplated in the PPSA), you agree that the intermediary (as defined in the PPSA) that maintains the securities account in relation to that intermediated security must:
 - (i) comply with instructions (including instructions to debit the securities account) that we give regarding the intermediated security without asking for your consent (or the consent of any person who has agreed to act on your instructions); and
 - (ii) not comply with instructions that you give regarding the intermediated security without asking for our consent (or the consent of a person who has agreed to act on our instructions).
- (c) Under any Sponsorship Agreement you have with us, we (or someone who has agreed to act on our instructions) can initiate or control all electronic communications by which each intermediated security can be transferred or dealt with in other ways.
- (d) We (or anyone who has agreed to act on our instructions) may notify any intermediary regarding any intermediated security, of the provisions of this clause 11. If we ask you to, you must notify the intermediary of the provisions of this clause 11.
- (e) Without limiting clause 11.6(a), if any Security Interest that we have is in one of your Financial Products that is considered to be an investment instrument that is not evidenced by a certificate as contemplated in the PPSA, you agree that we (or someone who has agreed to act on our instructions) may initiate or control sending all instructions, electronic messages or other electronic communications by which the investment instrument can be transferred or dealt with in other ways.

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Relationship Terms

11 Personal Property Securities Act (cont.)

- (f) Without limiting clause 11.6(a), if any Security Interest that we have is in one of your Financial Products that is considered to be an investment instrument that is evidenced by a certificate for the purposes of the PPSA, you must give us:
- (i) the instrument;
 - (ii) a signed but undated transfer form that does not state who the instrument is to be transferred to; and
 - (iii) any other document that we tell you will give us the right and power to deal with the instrument.

11.7 Security trustee and agent

You agree that, if any Crestone Company holds a Security Interest under these Terms, it may hold, or it may appoint another Crestone Company to hold, that Security Interest on trust, or as agent, for, any other Crestone Company.

12 Investment risks

When you invest in Financial Products or use Financial Services, you will face a range of risks which differ depending on which product or service you are using. Most investments carry a risk of loss as well as a potential for profit. You need to understand the risks you face when you invest in particular Financial Products or use particular Financial Services.

You agree:

- (a) that each Crestone Company does not, and cannot, guarantee the performance of Financial Products that you invest in; and
- (b) to read the terms that apply to the Financial Services that you are using, and the offer documents for any Financial Products that you are investing in, which will contain more details about the associated risks.

13 What we are allowed to do with your information

13.1 Information we may request from you

So that we can provide products and services to you, we may ask you to give us information or documents to enable us to:

- (a) assess your Application to acquire products and services from any other party;
- (b) perform our obligations under our agreements with you;

13 What we are allowed to do with your information (cont.)

- (c) comply with any law or Regulatory Requirement; and
- (d) communicate with third parties (including Service Providers) about the matters contemplated by our agreements with you.

13.2 Failure to provide information

If you do not give us all of the necessary information and documents that we ask for:

- (a) we may not be able to carry out a full needs analysis for you;
- (b) there may be limits on the appropriateness of any personal recommendation that we make to you, because those recommendations may not be based on all of your relevant personal information (or may be based on only limited information). You will need to carefully assess how appropriate any recommendation that we make to you is in light of your own investment objectives, financial situation and particular needs; and
- (c) we may not be able to give you the products and services that you have applied for (or we may not be able to give you any products and services at all) including executing, or arranging the execution of, Orders.

13.3 Use of your information

We may collect, use, hold or disclose information, including your Personal Information for a number of purposes, including to:

- (a) provide you with products and services in accordance with the terms of our AFS Licence and these Terms;
- (b) monitor the quality of the products and services that we give you;
- (c) administer, improve and further the products and services that we give you; and
- (d) comply with a Regulatory Requirement.

We may also disclose that information to:

- (a) any person for the purposes described in any of our agreements;
- (b) the issuer or seller of the Financial Product or its registry provider (or to both), if you have instructed us to accept an offer of Financial Products in relation to you and if the terms of participating in such an offer require us to provide your Personal Information;
- (c) any government or Regulatory Agency (subject to clause 14) or to anyone else if the law requires us to;
- (d) any financial market, clearing house, settlement facility, lender, credit provider, custodian, share registry or software provider;
- (e) any of our, or any other Crestone Company's, officers, employees and Service Providers;
- (f) any of our, or any other Crestone Company's, professional advisers, including auditors, solicitors and accountants;

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Relationship Terms

13 What we are allowed to do with your information (cont.)

- (g) any person who acts on your behalf, including your Financial Intermediary, Authorised Person(s), solicitor, settlement agent, accountant, executor, administrator, trustee, guardian or attorney;
- (h) a prospective purchaser of, or investor in, a Crestone Company or a business operated by a Crestone Company, on a confidential basis;
- (i) enable us, or any other Crestone Company, to enforce our, or its, rights in, or in relation to any defence from, an actual or potential Claim; or
- (j) any other person to whom you have authorised us or any other Crestone Company to release the information or documents.

13.4 You agree that we may use or disclose your information

You agree that we may collect, use, hold and disclose all your Personal Information for the purposes set out in clause 13.3 and in accordance with our privacy policy. We will give you a copy of this policy if you ask for it.

You may have rights to access and correct your Personal Information. You may also be able to make a complaint about how we collect, use, hold or disclose your Personal Information. You may exercise these rights by contacting us at the addresses set out in our privacy policy.

You agree that:

- (a) each Crestone Company may also use your Personal Information for marketing purposes—except to the extent that you specifically tell us that it cannot be used in this way (which you may do at any time);
- (b) we may send commercial messages to you by email or Electronic Means—until you give us Notice, or use an unsubscribe facility that is included with such a commercial message, in accordance with clause 4.1, to withdraw your consent; and
- (c) each Crestone Company may contact you in relation to any products and services that any of them may wish to offer you.

13.5 Transferring your information outside Australia

We may transfer information about you (including Personal Information) to another person who is in a foreign country, including:

- (a) to facilitate our provision of products and services to you; or
- (b) for administration or other back-office services that we may have performed for us in a foreign country.

14 Personal Property Securities Act confidentiality

14.1 Agreement not to disclose information

Subject to clause 14.2, you and we agree not to disclose the following information to any person who asks for it under the provisions of the PPSA:

- (a) a copy of these Terms;
- (b) information about your obligations to us under these Terms; or
- (c) details of the Financial Products or money in which you may grant us a Security Interest under these Terms.

However, you and we may disclose any of that information if:

- (d) you are in default under these Terms;
- (e) you are a body corporate and your auditor asks for the information; or
- (f) our auditor or other advisers ask for the information.

14.2 Information you may ask us for

You may:

- (a) ask us to provide the information that is described in clause 14.1(a)-(c) to you; and
- (b) disclose the information that is described in clause 14.1(a)-(c) in circumstances other than those that are described in clause 14.1(d) and (e), but only by first getting our written consent.

14.3 Our other information disclosure obligations under the Personal Property Securities Act

Nothing in this clause 14 prevents us from disclosing any information that we believe is necessary to comply with our other obligations under the PPSA or that we believe is required by any Regulatory Requirement (except to the extent that the requirement can be excluded or limited by contract or by a confidentiality duty or obligation).

15 Anti-money laundering

15.1 Information that we can ask for about you and your Account Associates

Under Regulatory Requirements including the AML/CTF Act, we must collect, and verify, information about:

- (a) your identity; and
- (b) the identity of each Account Associate.

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Relationship Terms

15 Anti-money laundering (cont.)

We will ask for proof of your identity and the identity of each Account Associate in the Application. We are not able to accept your Application until you have given us this information.

We may ask you for further information at any time. If you do not give us the information that we ask for, we may take steps to close your account with us, under clause 20.

15.2 Action that we may take to comply with Regulatory Requirements

We may take any action that we consider appropriate to comply with any Regulatory Requirement or any request of a Regulatory Agency that relates to:

- (a) the prevention of fraud, money laundering, terrorism or other criminal activities; or
- (b) the provision of financial and other services to any persons or entities that may be subject to sanctions.

For example, we may have to:

- (a) intercept and investigate Orders or Transactions (particularly those that involve the international transfer of money); or
- (b) report information about you and your transactions to a Regulatory Agency without telling you.

In some cases, this may delay or prevent the processing of Orders or Transactions, or may cause us to refuse to provide products or services to you.

We will not be liable for Loss that you incur as a result of us taking any actions that we are entitled to take under this clause 15 or to comply with Regulatory Requirements.

16 Bookbuilds

16.1 An invitation to bid

We may invite you to bid into a bookbuild process regarding the offer of Financial Products. A bookbuild process is a mechanism by which an issuer of Financial Products generates, captures and records investor demand. Bids into the bookbuild process are confidential. Bidding is by invitation only.

If we accept a bid you make at our invitation, we will lodge a bid for you with the issuer of the Financial Product and the person who manages the bookbuild process. That bid is a binding contract requiring you to purchase all the Financial Products subject to your bid.

16 Bookbuilds (cont.)

The person who manages the bookbuild process and the issuer decide:

- (a) the price of the Financial Products that are to be issued; and
- (b) how the Financial Products are allocated between us and the brokers, institutions or other financial services licensees which are bidding on behalf of their clients.

16.2 Invitations are confidential and personal

The invitation to bid in a bookbuild process is made on a confidential and personal basis. You must not pass on to any third party any information about the invitation that we tell you about—except to the extent that information is already publicly known.

If we invite you to make a bid, only you can accept that invitation.

16.3 Bookbuild warranties that you give us

If you accept an offer under the invitation we make to you, you warrant, acknowledge and agree to the following:

- (a) you have read the documents that we have given to you or have asked you to read in connection with the offer;
- (b) any offer document that we give you might change before Financial Products are issued to you after we receive your bid and (subject to any Regulatory Requirement) you will still be bound to purchase the Financial Products that we allocate to you after we receive your bid;
- (c) you are a professional investor or sophisticated investor for the purposes of Chapter 6D of the Corporations Act and/or a Wholesale Client for the purposes of Chapter 7 of the Corporations Act, if the offer that is made to you has either one or both of these restrictions;
- (d) you are lawfully permitted to purchase the Financial Products that are the subject of the offer;
- (e) we may give information about you to the issuer of the Financial Products or their lead managers, agents or advisers, and they can reject your application;
- (f) neither we nor any other Crestone Company are responsible for the accuracy and completeness of, and have no obligation to enforce, any warranties or undertakings that are given to us or any other Crestone Company under any agreements that we or another Crestone Company may enter into with the issuer in relation to the offer;
- (g) you will make sure that you have had access to all information that you believe you need to make a decision to participate in any offer;
- (h) you agree to be bound by the offering restrictions and limitations that are set out in any offer document or that are communicated to you in any other way (subject to Regulatory Requirements);
- (i) you have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of acquiring the Financial Products that are offered, and you have considered the risk in acquiring the Financial Products;

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16 Bookbuilds (cont.)

- (j) you have the financial ability to deal with the financial consequences of acquiring the Financial Products that are offered and you have bid for, including the ability to settle your bid and to deal with an entire loss of that investment; and
- (k) to the extent that the law allows, you will not try to recover any Losses from us or from another Crestone Company.

16.4 Our liability if the warranties that you give are inaccurate

You agree that:

- (a) if any of the warranties that you give us under this clause 16 are inaccurate, we may incur a Loss; and
- (b) you will indemnify us for any Loss that we incur if the warranties are inaccurate and we rely on them, or give warranties based on them to another person.

16.5 Your bid is binding

If you bid for Financial Products in a bookbuild process, the following rules apply:

- (a) subject to any Regulatory Requirement, you will be bound to purchase the Financial Products that are allocated to you in response to your bid;
- (b) we will complete any application for Financial Products that are allocated to you, on your behalf;
- (c) you will indemnify us for any Loss we incur if you do not give us, at the time of settlement, enough cleared funds to purchase the Financial Products that you agreed to purchase; and
- (d) we are not liable if you do not receive an allocation under the offer (or the full allocation that you requested), if the offer does not proceed or if our right to participate in the offer is reduced or terminated for any reason.

17 Giving us your TFN and ABN

- (a) If you make investments in the course of an enterprise that you carry on, you may give us your ABN in addition to, or instead of, your TFN. If you give us an ABN instead of a TFN for the purposes of the Financial Products that you have instructed us to purchase, you declare that that investment is made in the course of, or to further, your enterprise.
- (b) It is not an offence not to provide your TFN or ABN. However, if you do not give us your TFN or ABN:
 - (i) we may not be able to provide certain products and services; and
 - (ii) we and any other Crestone Company (if relevant) may have to take Tax out of a payment to you at the highest marginal rate plus levies.

17 Giving us your TFN and ABN (cont.)

- (c) When we provide services to you, you authorise us to give your TFN or ABN (whichever applies) to a person, including any other Crestone Company, any registry or any Sub-Custodian that holds the Financial Products that you acquired using our services.
- (d) If you have applied for our services jointly with another person (or other people), this clause 17 applies on the basis that each of you must give us your TFN or ABN, except to the extent that a relevant exemption applies.

18 General warranties that you give us

18.1 General representations and warranties

You represent, warrant and undertake—on a continuing basis—that:

- (a) all the information that is included in any Application that you give us (and any changes to the information that you tell us about after that) is complete, true, correct and not misleading or deceptive, and that we can rely on that information;
- (b) you have read the documents that we give you about the products and services that we provide, including any offer document, explanatory material or Best Execution Arrangements;
- (c) you and each of your Account Associates are not a Proscribed Person and all your dealings with us or dealings that you ask us to carry out in relation to you are, and will be, lawful; and
- (d) you agree that we do not and cannot guarantee the performance of Financial Products that you invest in.

18.2 The warranties that you make if you are trustee or responsible entity

If you are acting as trustee of a trust or as a responsible entity of a managed investment scheme, you represent, warrant and undertake to us—on a continuing basis—that:

- (a) you have the authority to be bound by our agreement as the trustee or responsible entity;
- (b) you are liable under these Terms both in your personal capacity and in your capacity as the trustee or the responsible entity;
- (c) you are fully indemnified from the assets of the trust of which you are the trustee or responsible entity; and
- (d) your entry into these Terms and all Orders and Transactions under them comply with your powers under the trust deed and are in the best interests of the beneficiaries of the trust.

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Relationship Terms

18 General warranties that you give us (cont.)

18.3 The warranties that you make if you are a corporation

If you are a corporation, you warrant—on a continuing basis—that you either:

- (a) hold a valid ACN or ARBN (whichever applies) under the Corporations Act and that your main place of business is in Australia; or
- (b) are lawfully incorporated in a foreign jurisdiction, if your main place of business is not in Australia.

18.4 The warranties that you make if you are a natural person

If you are a natural person, you warrant—on a continuing basis—that you are at least 18 years of age, are not an undischarged bankrupt and live mainly in either:

- (a) Australia; or
- (b) the country specified in your Application.

19 Indemnity

Without limiting the effect of any other indemnity in these Terms, you agree that, to the fullest extent that the law allows, we are not liable for, and you indemnify us (and each of our and any other Crestone Company's officers, employees and Service Providers) for, all Losses that any of us suffer that arise out of:

- (a) any of your defaults, whether by act or omission, under these Terms;
- (b) any of your breaches of any Regulatory Requirement;
- (c) any representation or warranty that you make or give under any agreement with any Crestone Company, or under any Application or other document that you give us that proves to be untrue or incorrect;
- (d) any error, omission, fraud, malfeasance, negligence, misappropriation or criminal act or omission by you, or by any of your clients, officers, employees, agents, Related Bodies Corporate, brokers, delegates, sub-contractors, consultants or Authorised Persons;
- (e) any failure of any of your computer or electronic systems or networks to perform, to be available or to successfully transmit data to us;
- (f) any of your errors or inadequacy in the data or information input into your computer or electronic systems or networks;
- (g) anything that we do in properly performing our obligations under any agreement, including these Terms and any Specific Service Terms, or anything that we do in connection with that performance;

19 Indemnity (cont.)

- (h) our compliance, in connection with our agreement with you, with the direction, request or requirement of any Regulatory Agency or any Regulatory Requirement; and
- (i) us, or any other Crestone Company, acting in good faith on your instructions which are signed, given or sent (including by email or Electronic Means) by, or which are purported to be signed, given or sent (including by email or Electronic Means) by, you or any Authorised Person.

You agree that this indemnity is a continuing indemnity and will survive the termination of any agreement.

20 Account closure

20.1 Ways our services to you may be terminated

Our services to you may be terminated if any of the following occurs:

- (a) you or we give Notice to the other in writing that you or we want to terminate the services. If that happens, our services will end when either you or we receive the Notice—except to the extent that a later time is stated in the Notice;
- (b) you or we become insolvent or bankrupt (whichever applies);
- (c) you do not give us information that we asked you for in accordance with clause 13;
- (d) you, or any Account Associate, is, or becomes, a Proscribed Person;
- (e) you breach a material term of these Terms, including if you fail to meet your payment obligations or if you breach a warranty;
- (f) you fail to maintain an ongoing minimum investment amount in your Portfolio that is either set out in these Terms or the Specific Service Terms or that we have given you Notice that you must maintain;
- (g) you fail to meet an initial minimum investment requirement for a service; or
- (h) you do not, or no longer, qualify as a Wholesale Client or a Professional Investor.

20.2 Effects of termination

If our services to you are terminated, the following rules apply:

- (a) all money that you owe to us becomes immediately due and payable;
- (b) neither you nor we will have to pay a penalty in respect of the termination of the services;
- (c) any outstanding Order or Transaction, or any legal right or obligation which may already have arisen, will not be affected;

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20 Account closure

(cont.)

- (d) transactions that are in progress at the date that the services end will be completed as soon as practicable;
- (e) you irrevocably authorise us to take all necessary steps (which may include us providing instructions to third parties including product issuers or providers, custodians and registries in relation to you) to transfer your Financial Products to you or to your nominee if practicable, or to redeem, close out, unwind or sell your Financial Products at the prevailing market price (where available) and to pay the proceeds to you (net of any amounts described in clause 5). If you are a Retail Client and Financial Products are held for you in accordance with the Custody Terms, we will transfer those Financial Products to you or to any other person you direct (provided that would be lawful) within a reasonable time;
- (f) you authorise us to withdraw your interest in your Cash Management Account or Cash Management Accounts and to pay the proceeds (net of any amounts that we have a right to debit) to you—except to the extent that you specifically instruct us not to;
- (g) generally, we will not be able to arrange a transfer to you of Managed Funds that are held in relation to you on an IDPS (including the Crestone Wealth Management Portfolio Service) unless:
 - (i) you give us the details of an IDPS operator which is able to hold your Managed Funds on your behalf; and
 - (ii) that operator and the responsible entity of the relevant Managed Fund agree to a transfer of your holdings.

If you give us these details within the timeframe we set, we will try to arrange for a transfer of your Managed Funds to that IDPS operator. Otherwise, we may arrange the sale of your Managed Funds and payment of the proceeds to you;
- (h) generally, we will not be able to arrange a transfer to you of international Financial Products or those Financial Products located in a jurisdiction outside of Australia—unless you give us the details of a custodian which is able to hold these products on your behalf.

If you give us these details within the timeframe we set, we will try to arrange for an in-specie transfer of your holding to that custodian. Otherwise, we may arrange the sale of your international Financial Products at the prevailing market price (where available) and payment of the proceeds to you; and
- (i) you agree that we are not liable for any Loss that you may incur in connection with us arranging for the transfer, redemption, unwinding or sale of your Financial Products if our services end under this clause 20.

20 Account closure

(cont.)

20.3 Closing your account

If our services to you are terminated, we will try to close your account as soon as practicable. To help us do this, you must give us reasonable assistance, including giving us the following information in writing (if it is relevant):

- (a) details of the Australian bank account into which you would like us to credit the proceeds of your account. Otherwise, we will pay you the proceeds by cheque;
- (b) instructions about the transfer of your Australian listed Financial Products (for example, to a new nominee or broker sponsor). Otherwise, we will transfer these Financial Products to you to hold on an Issuer Sponsored basis;
- (c) instructions about the transfer of your Financial Products that are located outside Australia to a new custodian to hold on your behalf. Otherwise, we will arrange the sale of your holdings and for the proceeds, net of any amounts that are deducted, to be paid to you; and
- (d) instructions about the transfer of your investments in Managed Funds to a new IDPS operator or custodian to hold on your behalf. Otherwise, we will arrange the sale of your holdings and for the proceeds, net of any amounts that are deducted, to be paid to you.

20.4 Delay

If there are any outstanding dividends, distributions, corporate actions or Transactions, there may be a delay in us closing your account (including, if relevant, a Cash Management Account of yours).

21 Limitation of liability

21.1 Exclusion of implied warranties

To the full extent that the law allows, all conditions and warranties that may be implied by statute, general law, customs or otherwise are expressly excluded.

21.2 Statutory limitations

If a guarantee in relation to the goods or services that we supply is taken to have been given under the *Competition and Consumer Act 2010* (Cth) or under any other legislation that applies, our liability for breaching the guarantee is limited to one of the following, which you can choose:

- (a) in the case of goods:
 - (i) the replacement of the goods or the supply of equivalent goods;
 - (ii) the repair of the goods;

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Relationship Terms

21 Limitation of liability (cont.)

- (iii) the payment of the cost of replacing the goods or of acquiring equivalent goods; or
- (iv) the payment of the cost of having the goods repaired; or
- (b) in the case of services:
 - (i) the supply of the services again; or
 - (ii) the payment of the cost of having the services supplied again.

21.3 Exclusion of Loss

Under no circumstance are we liable to you for any indirect, special or consequential Loss—including loss of profits, market loss, or loss of opportunity—however that Loss is incurred.

Also, we will not be liable to you for any losses, damages, costs and expenses, of any kind, that result from or are caused by:

- (a) you giving Orders or instructions;
- (b) us refusing to act on your Orders or instructions;
- (c) your default under the Terms;
- (d) anything that we lawfully do, in accordance with the Terms or at your request;
- (e) us complying with any direction, request or requirement of any relevant law or any competent authority (including any Regulatory Agency);
- (f) acts or omissions of an Exchange, clearing house or settlement facility (including the acts or omissions of their agents or representatives);
- (g) acts or omissions of any delegates, sub-contractors, Sub-Custodians or Service Providers except as specifically provided to the contrary elsewhere in these Terms; or
- (h) any event or circumstance which we cannot reasonably control.

22 Force majeure

22.1 Force majeure events

Sometimes, events or circumstances can happen which are beyond our reasonable control, and we may be unable to perform our obligations to you. These are called force majeure events. Specifically, a force majeure event is any act, occurrence or omission, that (either directly or indirectly) prevents us from, or delays us in, performing any of our obligations under any agreement, and which is beyond our reasonable control.

22 Force majeure (cont.)

Examples of force majeure events include:

- (a) weather or other forces of nature;
- (b) industrial action;
- (c) action or inaction by any Regulatory Agency; or
- (d) the failure of any computer system of any Relevant Exchange, clearing house or settlement facility.

22.2 Suspension of our obligations if there is a force majeure event

If we are affected by a force majeure event, we do not have to perform our obligations until a reasonable time after the force majeure event has ended.

22.3 No liability for losses that result from the suspension of our obligations

We and any other Crestone Company (and our or their respective officers, employees and Service Providers) are not liable for any Losses that you incur, either directly or indirectly as a result of or in connection with the suspension of our obligations under this clause 22.

23 Recording telephone calls

We may record telephone calls that we have with you (with or without an audible tone warning device), and you consent to us and any other Crestone Company (and our or their respective officers, employees and Service Providers) and any Regulatory Agency listening to the recordings of those calls.

For the purposes of this clause 23, telephone calls include audio and video calls conducted over telephone lines and the internet.

24 Notification of regulatory investigations

If the law allows you to do so, you must give us Notice of any investigation, query or issue that is raised by any Regulatory Agency as soon as reasonably practicable:

- (a) if it is connected in any way with any services that we provide to you under any agreement; or
- (b) which may affect our ability to provide those services in the future.

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25 Amendments to the Terms

We may change any of these Terms by giving you 10 Business Days' Notice.

If we provide you with Notice of a change, you agree that you will be bound by these Terms, as amended, after the Notice period expires.

Amendments will not affect any outstanding Order or Transaction or any legal rights and obligations that may have arisen before the date on which you become bound by the amendment.

26 Stamp duty

You must pay all stamp duty (including any fine or penalty) that can be charged, or that is charged, on, or in respect of:

- (a) our agreements; and
- (b) any Transaction, Order or other transaction that is contemplated by, or connected with, our agreements.

27 Governing law

These Terms are governed by, and must be interpreted in accordance with, the laws of New South Wales. By agreeing to be bound by these Terms, you submit to the exclusive jurisdiction of the courts or tribunals of New South Wales.

28 General provisions **28.1 Waiver**

A waiver of any of our rights or powers under any agreement (or of any consent that we may give you to not comply with any provision) can only be enforced if we give it to you in writing.

28.2 Delay

If either you or we fail, or delay, to exercise a right or power that is granted under any agreement, that failure or delay does not operate to waive the power or right.

In addition, any single exercise of any power or right that is granted under any agreement does not mean that it cannot be exercised again, or in the future. It also does not prevent you or us from exercising any other power or right under any agreement.

28 General provisions **28.3 Severance**

(cont.)

If any provision of any agreement (or a part of it) is, for any reason, invalid and not enforceable, all other provisions (or parts of them) that are self-sustaining and that can be separately enforced without regard to the invalid and not enforceable provision are, and continue to be, valid and enforceable.

28.4 Remedies

All remedies, rights, undertakings, obligations or agreements that either you or a Crestone Company has by law, under these Terms or otherwise are cumulative and none of them limits any other remedy, right, undertaking, obligation or agreement.

Either party may choose to pursue any remedy that they have a right to pursue by law, under any agreement or otherwise, and can pursue those rights either at the same time or one after the other.

28.5 Further assistance that we may need from you

From time to time, we may need you to take action (including signing a document or giving us extra information) that we reasonably require to carry out or to give effect to these Terms or any other agreement between us.

If we ask you to take this action, you agree that you will comply with that request and give us the help that we need.

28.6 Exclusion of any fiduciary duties to you

To the extent that the law allows, we exclude all fiduciary duties to you and you agree that the only obligations that we have to you are those that are set out explicitly in our agreements with you, or that a Regulatory Requirement imposes on us for your benefit.

28.7 Payment currency

All payments under these Terms are to be made in Australian dollars—except to the extent that you and we agreed beforehand that another currency may be used.

28.8 Novation of, and the assignment of rights under, an agreement

We may novate any agreement with you to another entity. If we novate an agreement with you to another entity, you will have an agreement with that other entity.

We can also assign our rights under any agreement with you to another entity and arrange for that other entity to provide services to you.

We can novate or assign our rights under any agreement with you to an entity that may not be a Crestone Company.

Section 1

Relationship Terms

28 General provisions

(cont.)

We do not have to give you Notice or get your consent to novate or assign any agreement with you. You appoint us as your attorney to execute any documents and to do anything else that we may reasonably need to do to enable us to novate or assign any agreement with you.

You may not assign or novate any of your rights and obligations under any agreement with us before getting our written consent.

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29 Appointment

You appoint us to execute, or to arrange the execution of, Orders.

You also appoint us to give instructions to, and receive communications from, Service Providers and providers of Financial Products. Those instructions may include us taking all necessary steps to acquire such products and services in relation to you.

Our dealings with you will be subject to the terms and conditions, trading rules and practices and policies of any relevant Service Provider.

If you have either a Broker Sponsored account or an Issuer Sponsored account, then (separately from these Terms) you will also appoint the relevant Service Provider, on your behalf to:

- (a) execute Orders in relation to Relevant Exchange Transactions;
- (b) clear and settle those Relevant Exchange Transactions,

and the terms of your appointment of the relevant Service Provider will, where we have previously approved them, prevail over these Transaction Terms to the extent of any direct or indirect inconsistency between them in respect of your rights and obligations under them.

30 Placement and execution of Orders

30.1 Placing an Order

You may place Orders only with us. We will either execute your Order or communicate your Order (and any other relevant instructions or information) to the relevant Service Provider for execution.

The relevant Service Provider is not required to act on any Orders or other instructions or information that you or your Authorised Person give directly to it.

30.2 Execution of Orders generally

We will take reasonable steps to make sure that your Orders are executed as soon as practicable after we receive them.

You may decide to give us discretion about when to place or arrange for the execution of an Order.

Orders that we receive after an Exchange has closed, or after the cut-off time for the relevant unlisted Financial Product, will be placed or entered on the next Business Day or on the next Business Day, on which those Orders are being processed by, or on behalf of, the Financial Product issuer.

We will not be responsible for delays or errors in the transmission or execution of your Orders—except to the extent that the law requires otherwise.

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30 Placement and execution of Orders

(cont.)

30.3 Declining an Order

We may decline Orders from you, or that are placed on your behalf, at any time. We do not have to give you a reason for declining your Order. Some examples of when we may decline an Order from you include if:

- (a) we consider that it is reasonably necessary to protect our legitimate interests;
- (b) we reasonably believe that the execution of your Order might result in you, us or the relevant Service Provider breaching a Regulatory Requirement, or in the Relevant Exchange not operating in a fair and orderly manner;
- (c) Exchange restrictions prevent it; or
- (d) your Order includes instructions that are not consistent with any Best Execution Arrangements that apply.

You agree that we have no obligation to resubmit Orders that are removed from any trading facility that is operated by an Exchange.

31 Execution and allocation in sequence

Generally, we will communicate your Orders regarding Exchange Transactions to the relevant Service Provider for execution and allocation in the sequence in which we receive them (subject to any instructions that you give us).

If relevant, we meet our best execution obligations by relying on the relevant Service Provider's Best Execution Arrangements.

You acknowledge that if we communicate your Order to the relevant Service Provider through a direct market access service or through other electronic means, execution of that Order may be delayed by filters or other features associated with that service.

32 Accumulation of orders

Your Orders relating to Financial Products may be accumulated and averaged with other orders on the same terms that are received for the same Financial Product:

- (a) overnight or before the market opens; or
- (b) during normal business hours at around the same time as other orders, if:
 - (i) you have given discretion in relation to the time of execution; or
 - (ii) it is considered appropriate to do so.

32 Accumulation of orders (cont.)

Settlement of accumulated and averaged orders will be made on a one-for-one basis until filled, or proportionally on a pro-rata basis relative to the sizes of individual orders—whichever is considered appropriate in the circumstances.

This clause 32 reflects our allocation policy. We reserve the right to change this allocation policy from time to time without telling you.

33 Crossing Systems

Each Order that is executed for you on a Relevant Exchange will be handled in accordance with the relevant Service Provider's Best Execution Arrangements.

In seeking to get the best execution of your Order, you agree that:

- (a) Orders may be automatically crossed against other orders (including a Service Provider's Principal Order or a Crestone Wealth Management Principal Order) before reaching a Relevant Exchange for execution—for example, through the relevant Service Provider's Crossing System; and
- (b) if the Corporations Act and the Relevant Exchange Rules allow it, you may be charged Fees in respect of any of your Orders that crossed with either a Service Provider's Principal Order or a Crestone Wealth Management Principal Order.

34 Principal Orders

We or the relevant Service Provider (or both of us) may not be able to differentiate your Order from other orders that we, or they, receive. Therefore, we or they may not be aware of any of our, or the relevant Service Provider's, Principal Orders that are being (or may be) executed.

Direct market access arrangements and program trading may make it impossible to prevent the relevant Service Provider's Principal Orders or our Principal Orders from being executed at the same time as (or before) your Order.

Accordingly, you agree that our Principal Orders may also be executed where your Order on the same terms is outstanding.

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35 Sell Orders

When you place a sell Order relating to a Relevant Exchange with us, you warrant that you have a current, exercisable and unconditional right to have the Financial Products for which you place a sell Order, vested in the buyer.

When you place a sell Order, you must tell us whether or not your sell Order relates to a covered short sale. This means a sale where you have, at the time that you place the sell Order with us, a legally binding commitment from a securities lender to lend the securities to you under a Securities Lending Arrangement.

If your sell Order relates to a covered short sale, when you place the sell Order you must also tell us:

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

We may communicate this information to the relevant Service Provider.

We or the relevant Service Provider may not be allowed to execute a sell Order for you unless you have given us the information required under this clause 35.

36 International Exchange Transactions

If you place an Order for execution on an International Exchange, we will arrange for that Order to be executed by a Service Provider who undertakes transactions on the International Exchange on which that Order must be executed.

37 We may act as a counterparty

We or another Crestone Company may act as the counterparty on some Transactions that we execute, or arrange the execution of, and may make a margin (for example, by buying the Financial Product in our, or its, name at a price and selling it to you at a higher price). The price quoted to you will factor in any margin.

38 Trading in unlisted Financial Products

If your Order relates to the acquisition, disposal or redemption of a Financial Product that is not traded on an Exchange, we will place that Order for you, according to the terms and conditions that apply to the purchase, sale or redemption of that Financial Product.

You are bound by the terms and conditions that apply to that Financial Product, and we have no liability to you for Loss that you may incur as a result of the application of those terms and conditions.

The issuer of the Financial Product is generally responsible for the operation, management and administration of the Financial Product, and we do not guarantee the performance of the Financial Product or the obligations of the Financial Product issuer.

You should read the offer document that applies to the Financial Product before you make a decision about whether to purchase the Financial Product.

39 Cancellation or amendment of Orders and Transactions

39.1 We may cancel or amend your Orders and Transactions

From time to time, there may be circumstances that require us or the relevant Service Provider to cancel or amend all or part of your Order or Transaction immediately and without an opportunity for us to tell you in advance or seek your consent. For example, we or the relevant Service Provider may request, agree to and/or effect, the cancellation or amendment of any Order or Transaction without your consent if:

- (a) we or the relevant Service Provider think that the cancellation or amendment is appropriate, having regard to the desirability of maintaining a fair and orderly market;
- (b) an Exchange, ASX Clear or ASX Settlement or any other relevant clearing house or settlement facility asks, or directs, that the Order or Transaction be cancelled or amended;
- (c) the Exchange Rules require or contemplate that the Order or Transaction be cancelled or amended; or
- (d) the Financial Products that are the subject of the Order or Transaction have been subject to a trading halt and you have not reconfirmed your instructions.

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39 Cancellation or amendment of Orders and Transactions (cont.)

39.2 An Exchange may cancel or amend Orders and Exchange Transactions

Exchanges have a range of powers, including the power to cancel or amend an Order or Exchange Transaction. Any power any of them has to do so is in addition to our or the relevant Service Provider's ability to cancel or amend an Order or Transaction.

If an Exchange takes this action, you agree that you will not make (and that you will release us and any Service Provider from any right you may have to make) any Claim against them for any Loss that you incur in connection with an Exchange exercising the power (whether or not you have been given a confirmation).

39.3 What happens if an Order or Transaction is cancelled

If an Order or Transaction is cancelled under this clause 39 and either you or we have obligations that are still outstanding under our agreements with you in relation to that Order or Transaction, those obligations will stop applying from the time that the Order or Transaction is cancelled (whether or not you have been given a confirmation).

40 Confirmations that we give you

40.1 Relevant Exchange Rules apply to confirmations

Relevant Exchange Transactions and confirmations of Relevant Exchange Transactions that we or the relevant Service Provider (or both of us) issue are subject to:

- (a) the Relevant Exchange Rules, directions, decisions and requirements of a Relevant Exchange operator and the Corporations Act;
- (b) the customs and usages of a Relevant Exchange; and
- (c) the correction of errors or omissions.

The information and consent in this clause 40 may not appear explicitly on the confirmations of Relevant Exchange Transactions, because you have agreed that these confirmations will be taken to be subject to clause 40.1(a)-(c).

You will be given confirmations when they are required by the Corporations Act and the Relevant Exchange Rules. We or the relevant Service Provider may send them to you, separately or together.

40 Confirmations that we give you (cont.)

40.2 You must check confirmations

You must promptly check the accuracy of every confirmation that is sent to you and tell us immediately if you think that any error may have occurred. If we do not receive this notification from you within 24 hours after sending you the confirmation, you will be taken to have accepted that the information is accurate.

We or the relevant Service Provider may, at any time, reissue a confirmation in order to correct any errors or omissions; and if this happens, the terms and conditions of the reissued confirmation will apply.

40.3 Confirmations for multiple Transactions

If multiple Transactions are entered in order to complete your Order, you authorise us or the relevant Service Provider (or both of us) (as the context requires) to accumulate those Transactions on a single confirmation and to state the volume weighted average price for those Transactions on that confirmation.

If you ask, we or the relevant Service Provider (or both of us) will, if required to do so under the Exchange Rules, give you a statement of all the individual prices of the relevant Transactions that are accumulated and averaged in a confirmation.

41 Your settlement obligations

41.1 Orders and settlement obligations

If you place an Order, we or the relevant Service Provider carry the obligations to complete the purchase or sale that results from your Order, together with all obligations that are ancillary to the completion. Therefore, the settlement obligations you owe in relation to Transactions, you owe directly to us or the relevant Service Provider (or both).

41.2 Meeting your settlement obligations

You agree to meet your settlement obligations in respect of a Transaction by the **Settlement Date and Time**, which is either:

- (a) the date and time for settlement that is shown on the Transaction confirmation; or
- (b) when we or the relevant Service Provider (or both of us) tell you.

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Transaction Terms

41 Your settlement obligations (cont.)

41.3 Representations to us when you place an Order

When you place an Order with us, you represent that you:

- (a) will be in a position to pay for any Financial Products that you purchase; and
- (b) subject to clause 35, have a current exercisable and unconditional right to vest any Financial Products that are sold in the buyer, to enable settlement at the Settlement Date and Time.

You must not take any action, or allow any action to be taken, that would extinguish or compromise the right in clause 41.3(b), before settlement.

42 Purchases

42.1 Settlement payments

In relation to your Transactions, you must pay, or make funds available to settle, any payment that is due or will or may become due and as we or the relevant Service Provider direct.

In both cases, the money that is required to settle your payment obligations will be due when those amounts accrue for the purposes of our agreement.

42.2 Cash payment not accepted

Payment by cash is not accepted.

42.3 We may deposit products as security

Until your settlement has occurred in accordance with the Corporations Act, the confirmation given to you about the relevant Transaction will be Notice to you that we may deposit the Financial Products that are described in the confirmation as security for a loan if we have received and paid for them in relation to you.

43 Sales

43.1 We may ask for, and forward, information and documents

To satisfy your settlement obligations for a sell Order, we may ask you to give us certain information and documents. If we do, you must give them to us. If you do not, we may purchase equivalent Financial Products at your risk and expense (including Costs and Tax) to rectify your default.

43 Sales (cont.)

If your sell Order relates to a Relevant Exchange Transaction, we may forward the relevant documents or information on to the relevant Service Provider.

43.2 Relevant Service Provider may use your Financial Products to satisfy your settlement obligations

If you have a Sponsorship Agreement with us, you irrevocably authorise the relevant Service Provider to apply any Financial Products in your holdings we sponsor, to satisfy your settlement obligations that arise from any sale Order that is executed by the relevant Service Provider in relation to you.

43.3 When your sale proceeds become available to you

The proceeds from a Transaction that results from your sale Order will not be available to you until the latest of:

- (a) the date and time for settlement that is shown on the Transaction confirmation;
- (b) the time at which we receive (in deliverable form) all documents required by this clause 43;
- (c) all amounts that are due, and that you need to pay to us or the relevant Service Provider, in relation to the Transaction or another outstanding Transaction, have been paid; and
- (d) another date and time that we or the relevant Service Provider tell you.

44 Currency

You carry the foreign exchange risks of dealing in Financial Products that are denominated in a foreign currency, including the risks:

- (a) associated with acquiring foreign currency to settle Transactions; and
- (b) of money being received and held in a foreign currency as a result of the receipt of Financial Product distributions (including dividends or interest) or sale proceeds in a foreign currency.

Exchange controls and other laws may prohibit or restrict the transfer of money internationally, and may impose costs on such transfers.

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45 Failure to settle or a breach of these Terms

45.1 Our rights if you fail to settle or if you breach these Terms

If you fail to meet your settlement obligations under this section 2 or if you breach any other provision of these Terms (including any payment obligation under clause 5), we may do (or arrange to be done) one or more of the following:

- (a) pass on to you all Loss that we may incur as a result of your failure;
- (b) charge you a Fee for administration which is calculated by reference to any additional cost that we incur as a result of your failure;
- (c) levy a default charge on the amount that is outstanding, at a rate that we would have to pay on an overdraft facility with our then current bankers;
- (d) use Financial Products that we own, or obtain Financial Products from third parties, to settle any sale that is executed in relation to you;
- (e) sell any Financial Products that are held in any other way (in custody or in a holding we sponsor) in relation to you and apply the proceeds to reduce your liability to us and to recover our costs;
- (f) apply any money that we hold to which we have access, or payments we have received for or from you, to reduce your liability to us; and
- (g) cancel any of your unexecuted Orders.

45.2 Our rights if you do not pay

In addition to any rights that we may have under these Terms, you agree that if you fail to pay for Financial Products:

- (a) in certificated form, we may have a general lien over those Financial Products and, after making a demand on you, have the power to sell or otherwise realise sufficient Financial Products that we hold for you (or have agreed to purchase for you) at your risk and expense; and
- (b) in uncertificated form, we are not obliged to transfer the Financial Products into your holding until we receive full payment for those Financial Products and have the power to sell or otherwise realise sufficient Financial Products that we hold for you (or have agreed to purchase for you) at your risk and expense.

45.3 Assignment of your debt to us

Service Providers may assign to us any debt that you owe to them.

If your debt is assigned to us, you owe that debt to us and we (and each of our directors and employees) have the rights and powers (and may do any of the things) that are set out in this clause 45.

46 Rights issues and takeovers while awaiting settlement

46.1 Taking up your rights

Except to the extent that clause 46.2 applies, we or a Service Provider may take up the rights that arise in the following circumstances:

- (a) either we or a Service Provider have acquired Financial Products in relation to you, but the legal interest in those Financial Products has not yet been transferred to you; and
- (b) you would, on settlement, have a right to take up rights that attach to those Financial Products (for example, in a rights issue or takeover offer).

46.2 When we will not take up those rights

We will not, and the relevant Service Provider may not, take up rights under clause 46.1 if:

- (a) you tell us that you do not wish to take up those rights by 5.00pm on the second Business Day before the date by which the right to take them up ends; or
- (b) there is not enough money in a Cash Management Account of yours, or a Transaction Settlement Account of yours, to cover the take up of those rights.

47 Dividends, interest and capital returns while awaiting settlement

47.1 What happens when you are buying

If rights arise in the circumstances described in clauses 47.1(a)-(c) and you tell us your choice about those rights by 5.00pm on the second Business Day before the date by which the right to take them up ends, we will try to implement that choice on your behalf. Your rights arise as follows:

- (a) either we or a Service Provider have acquired Financial Products in relation to you, but the legal interest in those Financial Products has not yet transferred to you;
- (b) a Benefit has been declared or is due in respect of those Financial Products; and
- (c) you would, on settlement, have a right to choose in relation to the Benefits that are declared or due (for example, where there is a dividend reinvestment plan or a bonus share plan) before the relevant record date.

47.2 What we do if you do not tell us your choice

However, if you do not tell us your choice about your rights in clause 47.1, we or the relevant Service Provider will not make a choice in relation to those rights. Instead, you will be entitled to the amount of the Benefit that has been declared or paid in respect of those Financial Products.

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47 Dividends, interest and capital returns while awaiting settlement (cont.)

47.3 What happens when you are selling

If you are selling a Financial Product and rights arise in the circumstances described in clause 47.3(a)-(c), we or the relevant Service Provider will pay or credit the buyer an amount equal to the amount of the Benefit that is declared or due. The rights arise as follows:

- (a) either we or a Service Provider have sold Financial Products in relation to you, but the legal interest in those Financial Products has not yet transferred to the buyer;
- (b) a Benefit has been declared or is due in respect of those Financial Products; and
- (c) you previously chose to receive the Benefit that was declared or due in a form other than cash (for example, where there is a dividend reinvestment plan or a bonus share plan).

When that happens, we may debit a Cash Management Account or a Transaction Settlement Account of yours or, if there are insufficient funds, you must pay us or the relevant Service Provider, the amount that is paid or credited to the buyer.

48 Exchange traded options

If we approve you to deal in exchange traded options, then, unless we give you Notice to the contrary, the terms issued by the relevant Service Provider apply to that activity.

49 Warrants

If we approve you to deal in warrants and your only account is a Broker Sponsored account or an Issuer Sponsored account, the terms issued by the relevant Service Provider apply to that activity.

50 Term Deposits

50.1 Application

If we approve you to deal in Term Deposits, the following provisions apply.

50.2 Term Deposit opened

We will apply to the relevant Bank for the opening of a Term Deposit when we receive your instructions.

50.3 We can disclose your information to the Bank

You authorise us to disclose as much of your personal information to the Bank as the Bank requires to open and operate the Term Deposit and for the purposes of any potential right of set-off of the Bank.

50.4 Term Deposit in Sub-Custodian's name as bare trustee

The Term Deposit will be issued in the name of a Sub-Custodian and the Term Deposit will be held on bare trust for you.

50.5 Bank will confirm account terms

The terms and conditions of the Term Deposit will be set out in a confirmation that we will give you. You acknowledge that you will be bound by those terms and conditions.

50.6 At Maturity Date

On the Maturity Date, your Term Deposit will mature and the principal and interest received will be paid to a Cash Management Account of yours.

50.7 Your liability for early termination

If, for any reason, you give us instructions to terminate the Term Deposit before the Maturity Date, you are liable for any Fees and Costs that are charged by the Bank. You acknowledge that these Fees and Costs may vary between different Banks and that some Banks do not allow the early termination of Term Deposits.

50.8 We may charge Fees

We may apply a Fee of up to 0.05 percent each year of the principal of any Term Deposit that is issued in relation to you under this clause 50. If it applies, this Fee is calculated daily and deducted monthly from a Cash Management Account of yours.

Section 2

Transaction Terms

50 Term Deposits (cont.) **50.9 We will make any claim to APRA**

If you have any future rights or entitlement under the Financial Claims Scheme:

- (a) we will make the necessary submissions or claims to APRA under the terms of the Financial Claims Scheme on your behalf; and
- (b) you must reimburse us for any costs that we incur in enforcing any right or entitlement under the Financial Claims Scheme.

You acknowledge that the Financial Claims Scheme can be changed or terminated.

51 Margin Loans

51.1 Margin Loan opened

You must apply to the relevant Service Provider for a Margin Loan.

51.2 We can disclose your information to the Service Provider

You authorise us to disclose as much of your personal information to the Service Provider as the Service Provider requires to open and operate the Margin Loan.

51.3 Service Provider will confirm Margin Loan terms

The terms and conditions of the Margin Loan will be set out in documentation that the Service Provider will give you. You acknowledge that you will be bound by those terms and conditions.

51.4 You must provide collateral to the Service Provider

If you are required to provide collateral to secure your obligations under a Margin Loan, you are responsible for providing that collateral as required by the Service Provider.

51.5 We may submit Orders

We may agree to submit Orders to the Service Provider who has provided the Margin Loan to buy or sell Financial Products in relation to you in accordance with the remainder of the Transaction Terms.

51.6 You are liable for the obligations under the Margin Loan

You are responsible for the obligations and liabilities that arise under your Margin Loan, including for any Fees that are charged by the Service Provider.

Schedule 1

Explanation of the Sponsorship Terms

If you are making an Application for, or already have, a Broker Sponsored account, you should read the following explanation of the terms of your sponsorship agreement with us (**Sponsorship Terms**).

The Sponsorship Terms are contained in Schedule 2. You must read the Sponsorship Terms (together with this explanation) and make sure that you understand them before you apply for a Broker Sponsored account or before you agree to the Participant Change Notice that purports to appoint us as your Controlling Participant.

If you sign an Application (or if you do not do anything to show us that you do not agree to the Participant Change Notice we give you), you acknowledge that you have understood the effect of the Sponsorship Terms. If you want any further explanation of the effect of the Sponsorship Terms, contact our Head of Operations at operations@crestone.com.au.

1 Purpose of the Sponsorship Terms

By entering into the Sponsorship Terms, you appoint us as your Controlling Participant on CHESSE.

CHESSE is an electronic system that manages the settlement process by facilitating the exchange of money and Financial Products at the same time.

CHESSE also administers a form of electronic registration of shareholdings—so instead of holding certificates to show that you own Financial Products, under CHESSE you have Financial Products registered in your name to show that you own them. CHESSE is operated by ASX Settlement under the ASX Settlement Operating Rules.

We are admitted as an Account Participant of ASX Settlement, which means that we are able to control Financial Products on CHESSE for you.

By agreeing to the Sponsorship Terms, you appoint us as your Controlling Participant to control your Financial Products on CHESSE. In other words, we sponsor your Financial Products on CHESSE.

2 Main provisions (clause 1 of the Sponsorship Terms)

Clause 1.1 of the Sponsorship Terms appoints us to act as your agent on CHESSE regarding your holding of the Financial Products that are identified by your HIN or on a Participant Change Notice that we send to you.

Clauses 1.2–1.7 set out our obligations in relation to the transfer of Financial Products in to, or out of, your Participant Sponsored Holdings.

We will not usually initiate any transfer or Conversion of Financial Products in to, or out of, your Participant Sponsored Holdings without your express authority.

Schedule 1

Explanation of the Sponsorship Terms

3 Acknowledgments that you make (clause 2 of the Sponsorship Terms)

Clause 2.1 of the Sponsorship Terms sets out a number of acknowledgments you make, including the following:

- (a) we have explained the Sponsorship Terms to you (by giving you this explanation) and that you understand them;
- (b) if you die or become bankrupt, we will place a Holder Record Lock on your Participant Sponsored Holdings—which means that they cannot be transferred except to the extent that your legal representative chooses to remove your sponsored Financial Products from the CHESS Subregister;
- (c) if you die, the Sponsorship Terms will continue to apply to your legally appointed representative for up to three months after the Holder Record Lock is removed;
- (d) the regulatory regime that applies to us in relation to the Sponsorship Terms is the Corporations Act and the ASX Settlement Operating Rules;
- (e) you can get information about the regulatory regime that applies to the Sponsorship Terms from ASIC or ASX Settlement;
- (f) you can lodge a complaint or a claim for compensation with us, ASIC or ASX Settlement in relation to our conduct as your Controlling Participant;
- (g) no other compensation arrangements apply in relation to the Sponsorship Terms; and
- (h) if a transfer of your Financial Product is brought about in accordance with the ASX Settlement Operating Rules:
 - (i) you may not assert or claim against ASX Settlement (or the relevant issuer of the Financial Product) that we did not effect a transfer or that you did not authorise us to bring about that transfer;
 - (ii) you have no claim arising out of the transfer against the Compensation Fund that relates to the Relevant Exchange under the Corporations Regulations—except to the extent that the transfer was taken to have been brought about by a Market Participant of that Relevant Exchange or a Clearing Participant; and
 - (iii) neither a Relevant Exchange nor any Related Party has any responsibility for supervising or regulating the relationship between you and us—except to the extent that we are a Participant of that Relevant Exchange.

Under clause 2.2, if you are a joint holder you acknowledge that if one of the joint holders dies, your Holdings will be transferred into a new holding in the name of the surviving holder(s). The Sponsorship Agreement continues to apply to the surviving holder(s).

4 Security, other interests and sub-positions (clause 3 of the Sponsorship Terms)

Clause 3 of the Sponsorship Terms authorises us to give effect to your instructions if you instruct us:

- (a) to lodge Financial Products as cover for written positions in relation to derivatives; or
- (b) that an interest has been or will be created over Financial Products, and your ability to Transfer, convert or otherwise deal with the Financial Products may be restricted as a result.

5 If we are suspended from participation in CHESS (clause 4 of the Sponsorship Terms)

Clause 4 of the Sponsorship Terms provides that if we are suspended from participation in CHESS, you may instruct ASX Settlement to remove your Participant Sponsored Holdings from the CHESS Subregister or from our control to another Controlling Participant.

If you do not give ASX Settlement this instruction, ASX Settlement has the right to change your CHESS sponsor. If this happens, the Sponsorship Terms will at first apply to the new Controlling Participant. The new Controlling Participant must enter into a new sponsorship agreement with you within 10 Business Days after being appointed your Controlling Participant by ASX Settlement.

6 Complaints and claims for compensation (clause 5 of the Sponsorship Terms)

Clause 5 of the Sponsorship Terms sets out your rights if you wish to make a complaint about, or claim compensation from, us. These are also set out in our FSG.

In particular, if we breach the Sponsorship Terms, you may refer that breach to any regulatory authority, including ASX Settlement. If we breach a provision of the Sponsorship Terms and you make a claim against us, our ability to satisfy that claim depends on our financial circumstances.

Schedule 1

Explanation of the Sponsorship Terms

7 Rules (clause 6 of the Sponsorship Terms)

Clause 6 of the Sponsorship Terms states that you must not do anything that would prevent or hinder us from complying with our obligations to a Relevant Exchange, ASX Clear or ASX Settlement.

Clause 6 also states that, if the Sponsorship Terms conflict with the ASX Settlement Operating Rules, the ASX Settlement Operating Rules will apply and we can change the Sponsorship Terms to make sure that they comply with the ASX Settlement Operating Rules.

8 Termination of the Sponsorship Terms (clause 7 of the Sponsorship Terms)

Clause 7 of the Sponsorship Terms notes that they will terminate if:

- (a) either you or we notify the other that you or we want to terminate the Sponsorship Terms;
- (b) we become insolvent; or
- (c) our participation in CHES is terminated or suspended.

The rights and obligations that have accrued before the Sponsorship Terms come to an end are not affected.

9 Supply of information (clause 8 of the Sponsorship Terms)

Clause 8 of the Sponsorship Terms sets out your obligations to promptly give us any information or documents that we need to act as your Controlling Participant (including information we need to provide to a Service Provider) or to comply with the ASX Settlement Operating Rules and the registration requirements.

10 Change of Controlling Participant (clause 9 of the Sponsorship Terms)

Clause 9 of the Sponsorship Terms sets out what will happen if we no longer wish to sponsor you. This may happen if there is a significant change to our organisational structure, or if our business is to be transferred to another Controlling Participant.

In particular, clause 9 allows the Sponsorship Terms to be novated to another Controlling Participant without you needing to sign a new sponsorship agreement.

11 Copies of the Sponsorship Agreement (clause 10 of the Sponsorship Terms)

Clause 10 of the Sponsorship Terms notes that you have a right to receive a copy of the Sponsorship Agreement (which is made up of your Application, together with the Sponsorship Terms) and you may ask for this at any time.

Schedule 2

Sponsorship Terms

If you have applied for, or already have a Broker Sponsored account, you have chosen to appoint us as your Controlling Participant and these Sponsorship Terms apply to you.

The following also form part of the Sponsorship Terms:

- (a) section 5 of the Terms; and
- (b) the document that you have given us on which your HIN (or HINs) is or will be stated.

Your Application, together with the Sponsorship Terms, make up the Sponsorship Agreement.

1 Main provisions

1.1 You appoint us

You appoint us as your:

- (a) Controlling Participant for the purposes of CHES in relation to your Holding. Your HIN (or HINs) will be stated in your Application or in whatever other way that you and we agree; and
- (b) agent to carry out any action in CHES that relates to your Holding (including receiving and acting on any instructions to change your Registration Details or Residency Indicator, a Notice of Death or Bankruptcy in relation to you, or Withdrawal Instructions).

1.2 We act only with your express authority

Other than for AQUA Products (which the ASX Settlement Operating Rules permit us to convert to Holdings on the Issuer Sponsored Subregister without your authority in certain circumstances), we will not initiate any Transfer or Conversion into or out of your Holding that is sponsored under the Sponsorship Terms without your express authority.

1.3 We control electronic communications about your Orders

We can initiate or control the sending of electronic messages or electronic communication by Electronic Means in relation to which your Order may be transferred or otherwise dealt with.

1.4 If you do not pay

If we claim that you have not paid us in accordance with clause 5 of the Terms, we may refuse to comply with your Withdrawal Instructions (but only to the extent that it is necessary to keep Financial Products in your Holding sponsored under the Sponsorship Terms with a minimum value equal to 120 percent of the current market value of the amount claimed).

1 Main provisions (cont.) **1.5 Timing of Withdrawal Instructions etc**

Subject to clauses 1.4 and 1.7, we will initiate any Transfer, Conversion or other action that is necessary to give effect to your Withdrawal Instructions, within two Business Days.

1.6 Payment required for Transfers

Where you authorise us to purchase Financial Products, you must pay for those within two Business Days of the date of purchase. We are not obliged to Transfer Financial Products into your Holding until we receive payment for those Financial Products.

1.7 We may sell your Financial Products if you do not pay

If we demand 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 Costs and Tax) in accordance with the Relationship Terms.

2 Acknowledgments that you make

2.1 Acknowledgments regarding sponsorship generally

You acknowledge each of the following:

- (a) before you agreed to enter into the Sponsorship Agreement, you read the explanation of the Sponsorship Terms in Schedule 1 and understood what those terms mean;
- (b) if you die or become bankrupt, a Holder Record Lock will be applied to all your Holdings sponsored under the Sponsorship Agreement in accordance with the ASX Settlement Operating Rules—except to the extent that your legally appointed representative or trustee chooses to remove those Holdings from the CHESS Subregister;
- (c) if you die, the Sponsorship Agreement will be taken to continue to apply to the legally appointed representative who is authorised to administer your estate, for up to three calendar months after the Holder Record Lock is removed (in accordance with the ASX Settlement Operating Rules)—except to the extent that your legally appointed representative chooses to remove the Holdings sponsored under the Sponsorship Terms from the CHESS Subregister;
- (d) the regulatory regimes that apply to us includes the Corporations Act and the ASX Settlement Operating Rules;

Schedule 2

Sponsorship Terms

2 Acknowledgments that you make (cont.)

- (e) information about our status under the regulatory regimes that apply to us can also be obtained from ASIC, a Relevant Exchange, ASX Clear or ASX Settlement;
- (f) you may lodge a complaint against us or a claim for compensation with us, ASIC or ASX Settlement;
- (g) no other compensation arrangements apply to you in relation to these Sponsorship Terms;
- (h) if you have been taken to have effected a Transfer under the Sponsorship Terms, you:
 - (i) may not assert or claim against ASX Settlement or the relevant issuer (as defined in the ASX Settlement Operating Rules) that we did not effect the Transfer or that you had not authorised us to effect the Transfer; and
 - (ii) have no claim arising out of the Transfer against a Compensation Fund that relates to a Relevant Exchange as described in clause 5.3—unless the Transfer was also effected by a Market Participant of that Relevant Exchange or a Clearing Participant;
- (i) neither a Relevant Exchange nor a Related Party has any responsibility for supervising or regulating the relationship between you and us, other than in relation to the ASX Settlement Operating Rules relating to sponsorship agreements—unless we are a Market Participant of that Relevant Exchange;
- (j) we are a party to an agreement with a relevant Service Provider (which is a General Settlement Participant of ASX Settlement) and that Service Provider has the settlement obligations for all of our transactions (including your Transactions); and
- (k) a Service Provider administers the Holdings that the Sponsorship Agreement applies to, on our behalf. However, we remain responsible to you for any actions or things that are done or not done in respect of your Participant Sponsored Holdings.

2.2 Death of a joint holder

If you are a joint holder and 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 (and the Sponsorship Agreement remains valid for the new Holdings under the new Holder Record and applies to the surviving joint holder(s)).

2 Acknowledgments that you make (cont.)

2.3 Bankruptcy of a joint holder

If you are a joint holder and one of the joint holders becomes bankrupt, we will:

- (a) establish a new Holder Record in the name of the bankrupt holder, Transfer that person's interest into new Holdings under the new Holder Record and ask ASX Settlement to apply a Holder Record Lock to all Holdings under that Holder Record (except to the extent that the legally appointed representative of the bankrupt holder chooses to remove the Holdings from the CHESS Subregister); and
- (b) establish a new Holder Record in the names of the other joint holder(s) and Transfer their interest into new Holdings under the new Holder Record.

3 When your Financial Products are used as cover for options, other interests and sub-positions

3.1 Lodgment with ASX Clear

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

3.2 Charge or other interest

If you tell us that a charge or other interest in Financial Products has been, or is to be, given to a person, you authorise us 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 Sub-position

In the circumstances contemplated by clauses 3.1 and 3.2 (or in other circumstances, if you consent), we may create a sub-position over your Holding. If we do this, your ability to Transfer, convert or otherwise deal with the Financial Products will be restricted in accordance with the ASX Settlement Operating Rules.

3.4 No overriding effect

Nothing in these Sponsorship Terms operates to override any interest of ASX Clear in the Financial Products.

Schedule 2

Sponsorship Terms

4 Suspended from CHESS

4.1 Your choices

If we are suspended from CHESS, then (subject to the assertion by a liquidator, receiver, administrator or trustee of an interest in Financial Products controlled by us) you may, within 20 Business Days after ASX Settlement gives you notice of the suspension, give a notice to ASX Settlement asking that your Holdings that are sponsored under the Sponsorship Terms be removed from:

- (a) the CHESS Subregister; or
- (b) our 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 choose

If you do not give notice to ASX Settlement under clause 4.1, ASX Settlement may change your CHESS sponsor under the ASX Settlement Operating Rules. If it does that, you will be taken 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 Timing for new relationship

If you are taken to have entered into a new sponsorship agreement with a new Sponsoring Participant under this clause 4 because we are suspended from CHESS, the new Sponsoring Participant must enter into a new sponsorship agreement with you within 10 Business Days after the change of Sponsoring Participant.

5 Complaints and claims for compensation

5.1 Complaints

If you wish to make a complaint about the service that we provide, you should see the specific complaints procedure that is set out in our FSG.

5.2 Referral to regulatory authority

If we breach these Sponsorship Terms, you may refer that breach to any regulatory authority, including ASX Settlement.

5.3 No access to Compensation Fund

If we breach these Sponsorship Terms, you are not entitled to make a claim on a Compensation Fund specified in the Corporations Act or the Corporations Regulations.

5 Complaints and claims for compensation (cont.)

(For more information on the circumstances in which you may make a claim on the National Guarantee Fund or for information on the National Guarantee Fund generally, contact Securities Exchange Guarantee Corporation Limited.)

5.4 Our financial circumstances

If you make a claim for compensation, our ability to satisfy that claim will depend on our financial circumstances.

5.5 Sponsorship Bond

If we are required to lodge a Sponsorship Bond, you may have a right to make a claim to ASX Settlement under our Sponsorship Bond.

6 Our obligations under the ASX Operating Rules

6.1 Our obligations

These Sponsorship Terms are subject to the ASX Settlement Operating Rules and those rules will apply to the extent of any inconsistency. You must not do anything that would prevent or hinder us from complying with our obligations under the ASX Settlement Operating Rules.

6.2 Amendment for inconsistency

If any of the provisions of these Sponsorship Terms are inconsistent with the provisions of the ASX Settlement Operating Rules, we may, by giving you at least seven Business Days' Notice, change these Sponsorship Terms to the extent to which we reasonably believe is necessary to remove the inconsistency.

7 When our appointment as Controlling Participant may end

7.1 Termination events

Subject to clause 7.2, our appointment as Controlling Participant under the Sponsorship Terms will terminate if:

- (a) either you or we notify the other in writing that you or we want to terminate the appointment—if this happens, these the Sponsorship Terms will terminate from the time that the notice is received (except to the extent that a later time is stated in the notice);
- (b) we become insolvent;
- (c) our participation in CHES is terminated or suspended; or
- (d) you give an effective Withdrawal Instruction to us under clause 9.2.

Schedule 2

Sponsorship Terms

7 When our appointment as Controlling Participant may end (cont.)

7.2 Accrued rights and obligations

Termination under clause 7.1 does not affect any rights or obligations that have accrued to a party under these Sponsorship Terms or at law before our appointment ends.

7.3 Transfer following discharge of obligations

If you have discharged all obligations that you owe to us and to the relevant Service Provider, we will immediately Transfer or arrange the Transfer of your Participant Sponsored Holding to you, or in any other way that you direct in writing.

8 What information you need to give us

You will give us all the information and supporting documentation that we and the relevant Service Provider reasonably need to allow us and the relevant Service Provider to comply with the registration requirements, under the ASX Settlement Operating Rules.

9 Change of Controlling Participant

9.1 We may propose a change to who is the Controlling Participant

- (a) Under clause 1, you have appointed us as your Controlling Participant under the ASX Settlement Operating Rules. We may send you a Participant Change Notice proposing that we no longer be the Controlling Participant for your Holdings, and setting out details of the proposed new Controlling Participant.
- (b) If you receive a Participant Change Notice from us that complies with the requirements of the ASX Settlement Operating Rules, you are under no obligation to agree to the change of Controlling Participant, and you may choose to do any of the things set out in clauses 9.2 and 9.3.

9.2 You may choose a new party

You may choose to end these Sponsorship Terms by giving us Withdrawal Instructions, indicating whether you wish to transfer your Holding to:

- (a) another Controlling Participant; or
- (b) one or more Issuer Sponsored holdings.

9 Change of Controlling Participant (cont.)

9.3 If you make no choice, our proposal is effective

If you do not take any action to end these Sponsorship Terms under clause 9.2 and you do not give us any other instructions that would indicate that you do not agree to the change of Controlling Participant, on the effective date, the Sponsorship Agreement will have been taken to have been novated to the new Controlling Participant and it 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 us;
- (b) any of our rights are transferred to the new Controlling Participant; and
- (c) you release us from any obligations arising on or after the effective date.

9.4 New party to agree to change

Novation under clause 9.3 will not take effect until you have received a notice from the new Controlling Participant confirming that they agree to act as the Controlling Participant for you. The effective date may therefore be later than the date that is set out in the Participant Change Notice.

9.5 Your actions may indicate agreement to the change

You will be taken to have consented to the events that are referred to in clause 9.4 if you do anything that is consistent with the novation of these Sponsorship Terms to the new Controlling Participant (for example, if you give an instruction to the new Controlling Participant), on or after the effective date. You will be taken to have given your consent on the effective date.

9.6 Sponsorship Terms continue for our benefit until change effective

These Sponsorship Terms continue for our benefit in respect of any rights and obligations that accrue before the effective date. In addition, if any law or the provision of any agreement makes the novation in clause 9.3 not binding or effective on the effective date, these Sponsorship Terms will continue for our benefit until novation is effective. Until the change is effective, we hold the benefit of these Sponsorship Terms on trust for the new Controlling Participant.

9.7 We can complete Transactions until change is effective

Nothing in this clause 9 will prevent us from completing the Transactions if the obligation to complete those Transactions arises before the effective date. In that case, these Sponsorship Terms will continue to apply to the completion of those Transactions, even though these Sponsorship Terms will have been novated to the new Controlling Participant under this clause 9.

Schedule 2

Sponsorship Terms

10 Copy of the Sponsorship Agreement

You have a right to receive a copy of the Sponsorship Agreement and you may ask for a copy at any time.

Section 3

Custody Terms

52 Our safe custody services

If we approve you to use our safe custody services in relation to Financial Products that are purchased through Transactions we execute, or arrange for a Service Provider to execute, or that we otherwise agree to hold, these Custody Terms apply to those Financial Products.

References in these Custody Terms to Financial Products are to those Financial Products which are held or otherwise dealt with in relation to you under these Custody Terms. For example, if you enter into a Margin Loan with a Service Provider and you provide Financial Products as collateral for that Margin Loan, these Custody Terms will not apply to those Financial Products. Instead, they will be subject to separate collateral arrangements between you and the Service Provider. Before Financial Products can be transferred from our custody arrangements to the Service Provider's collateral arrangements, you must give us an instruction to that effect.

The arrangements concerning your Cash Management Account or Cash Management Accounts are explained in clause 10.

53 How our safe custody services operate

Safe custody services involve us, or others that we engage, holding Financial Products as bare trustee for you.

We keep a record of:

- (a) what Financial Products are held for you; and
- (b) if you are a Retail Client, any Transactions in relation to those Financial Products and how, by whom and when those Transactions were authorised.

These records will be kept in accordance with our relevant legal, and internal and external audit, requirements. We will have in place procedures that allow for reconciliation in relation to those Financial Products each Business Day, or if it is ordinary and reasonable commercial practice to reconcile certain property less frequently, in accordance with that practice, by checking information that we are given as to the existence and quantity of the Financial Products held for you against our records and for reporting by us to you concerning the outcomes of the reconciliation in the case of any unreconciled matter.

Section 3

Custody Terms

53 How our safe custody services operate (cont.)

If you are a Retail Client, we will provide you, on request, either electronically or in any other form that you and we have agreed, with reports in relation to the Financial Products that are held for you. The reports will contain the information that we consider to be reasonable.

If you are a Retail Client, we will establish and maintain arrangements that enable us to provide safe custody services to you, in any contingency for which we should reasonably plan. We will also keep any information of a confidential nature in confidence, apart from any disclosure to ASIC or as permitted by law or by you.

54 How we hold your Financial Products

You authorise us (but we are not obliged) to:

- (a) register any registrable Financial Products in our name or in the name of any Sub-Custodian, or their respective nominees; and
- (b) do anything that is necessary, to have the registrable Financial Products registered, in accordance with this clause 54.

If you are a Retail Client and you request in writing, we will provide you with information about the manner in which your Financial Products are held.

55 We do not check your Financial Products

When Financial Products are delivered for safe custody:

- (a) we do not check whether those Financial Products are valid, that you have clear title to them or whether they are subject to a mortgage, charge or lien; and
- (b) you warrant that those Financial Products are valid, that you have clear title to them and that, except to the extent notified to us in writing at the time, they are not subject to a mortgage, charge or lien.

We are not liable to you if those Financial Products are not delivered validly and with clear title, or if they are subject to a mortgage, charge or lien.

56 How we keep your Financial Products

Your Financial Products may be held in omnibus accounts on a fungible basis. That means that your Financial Products may be registered in the same name or holding as the name or holding in which Financial Products held for other clients are registered.

It also means that we can deliver to you or, on your instruction, to another person, a Financial Product of the same class and denomination as those that we received from you or on your behalf.

Because Financial Products are not registered in your name and may be held in omnibus accounts, you will not have the same rights as you would if you held the Financial Products directly in your own name. This might mean that you cannot exercise some of the rights you would have had if you had been the registered holder of the Financial Products.

57 Sub-Custodians

You authorise us to use the services of Sub-Custodians. If you are a Retail Client, we will provide you with written notice of the identity of, and contact information for, each Sub-Custodian. We will do this before arranging for the Financial Products to be held by a Sub-Custodian if it is practicable to do so, and in any event, before the assets are actually held by a Sub-Custodian.

Our Sub-Custodians will record that they hold Financial Products for us and they can register those Financial Products in our name, in their own name or in the name of a nominee.

You authorise us to appoint, and deposit all or any part of your Financial Products with, a depository or clearing house that operates a central or international system for handling Financial Products in order to facilitate the settlement of transactions.

You acknowledge that those depositories and clearing houses are not our agents.

You acknowledge that appointed Sub-Custodians, depositories or clearing houses may be located outside Australia and accordingly subject to the laws and market practices of foreign jurisdictions.

Section 3

Custody Terms

58 Liability

58.1 Acts for which we may be liable

If we use the services of a Sub-Custodian, we will take care when we select the Sub-Custodian.

Subject to clause 58.2, we will only be liable to you for what the Sub-Custodian does if:

- (a) you are a Retail Client and the Sub-Custodian engaged by us does not:
 - (i) observe reasonable standards generally applied by providers of custody and similar services; or
 - (ii) comply with these Terms and other agreements with you; or
- (b) whether or not you are a Retail Client, we did not exercise care when we selected them.

Otherwise, we are not liable for the acts of the Sub-Custodians that we use unless the Sub-Custodian is another Crestone Company.

We will also be liable to you if you are a Retail Client and we do not observe reasonable standards generally applied by providers of custody and similar services or we do not comply with these Terms and other agreements we have with you.

58.2 Acts for which we will not be liable

Despite clause 58.1, we will not be liable for any Loss that you incur:

- (a) if we have exercised reasonable care in appointing the Sub-Custodian (and in monitoring its compliance with its obligations, if you are a Retail Client) and the Sub-Custodian is, or becomes, insolvent. In this case, we will not have to give you any Financial Products that cannot be delivered to us because a Sub-Custodian is, or becomes, insolvent; or
- (b) as a result of the acts of any depository, clearing house or settlement facility.

If you incur a Loss because of an act of a Sub-Custodian and we have a Claim against that Sub-Custodian, if we can, we may assign to you any rights that we have to make a claim against them.

59 Financial Products located outside Australia

We provide safe custody services for Financial Products that are located outside Australia. We have a list of markets for which we can provide safe custody services, and we will give you that list if you ask for it. We may not be able to provide safe custody services in any markets other than those that are on the list.

59 Financial Products located outside Australia (cont.)

The list can change. If you have Financial Products located in a market where we no longer provide safe custody services, we will tell you and you will need to give us instructions to transfer your Financial Products to another person in that jurisdiction who can hold them on your behalf.

If you do not give us those instructions within a reasonable time, or if the person you nominate cannot or does not accept the Financial Products from us, we may sell or otherwise realise your Financial Products and pay you the proceeds of sale.

Investing in Financial Products located in foreign jurisdictions may involve risks of Loss, or other special factors, and you should investigate the risks associated with any foreign jurisdiction in which you propose to invest.

60 Our authority

We are authorised to do each of the following:

- (a) to ask you to pay for, and to receive all income in respect of, the Financial Products;
- (b) to surrender any Financial Products when we receive money that is to be paid at maturity, on sale, or on redemption if called before maturity, and to credit the proceeds to a Cash Management Account of yours or to any other account that you have authorised us to pay your money into, or to pay that money to you by cheque;
- (c) if money in respect of any of the Financial Products can be paid in more than one currency, to collect it in whatever currency that the law allows and that we may decide;
- (d) to comply with any law, regulation or order that is in force (now or in the future) which purports to impose on a holder of your Financial Products a duty to take, or to refrain from taking, any action in connection with any of your Financial Products or with any payment, distribution or money that is to be paid in respect of any of the Financial Products, including providing information to the Australian Taxation Office;
- (e) to exchange any of the Financial Products in interim or temporary form for Financial Products in definitive form;
- (f) to dispose of any money that we receive or collect, or receive as proceeds of sale of any of your Financial Products (or otherwise), by crediting a Cash Management Account of yours or by crediting another account that you have authorised us to pay your money into, or to pay that money to you by cheque;
- (g) to take up, call for, receive, hold, sell or dispose of fractional Financial Products which may accrue from the holding of your Financial Products for our own account and benefit; and

Section 3

Custody Terms

60 Our authority (cont.)

- (h) to debit a Cash Management Account of yours to fulfil your payment obligations under clause 5 and any indemnity obligation that you have under the Terms.

61 Your obligations

You agree to:

- (a) help us to comply with any obligations that are imposed on us by the taxation law of the jurisdictions in which your Financial Products are located; and
- (b) give us, when we ask for it, any document, information or instructions that we reasonably need to enable us to perform our obligations under these Terms or that are imposed by law.

62 Income earned on your Financial Products

We will credit any income that is paid to us for Financial Products that are held for you to a Cash Management Account of yours. We are not liable to you for any delay or failure of any third party to pay any amount of income regarding the Financial Products that are held for you.

63 Exercising your rights relating to Financial Products

63.1 We tell you about your rights and act for you

We will:

- (a) try to give you, as soon as practicable after we receive them, a copy of any communications that are relevant to the exercise of any right relating to a Financial Product that is held for you; and
- (b) subject to clause 63.2, take reasonable steps to implement any instructions that you give us about how the right relating to the Financial Product is to be exercised.

63.2 When to give us your instructions

If you want us to exercise any right or take any action, you must give us your instructions no later than five Business Days before the relevant date that is stated in the communication (or any earlier date that we may notify you of in writing).

63 Exercising your rights relating to Financial Products

(cont.)

63.3 We may impose conditions

We may impose conditions on the exercise of your rights (for example, we may need you to pay us in advance if the exercise of a right will require the payment of money). We may decide not to exercise a right or take action if you do not meet our conditions.

63.4 We manage your rights under the DPM Terms where applicable

If you have a DPM Service account, rights that attach to your Financial Products will be managed in accordance with the DPM Terms.

64 Corporate actions

We will have no duty to attend any meeting, to exercise any vote in relation to our holdings of the Financial Products, to take any action pursuant to any rights attaching to those holdings, or to deposit any of the Financial Products in connection with any such rights, except if we agree to do so and then only in accordance with your prior written instructions.

65 Settlement failures

If we purchase any Financial Products on your instructions, we will not be liable to you in any way if the seller (or its agent) fails to make good, valid or timely delivery to us of the relevant Financial Products, whether or not we have paid for them on your behalf.

We are also not liable if a buyer of Financial Products (or its agent) fails to pay us in cleared funds, whether or not we have already delivered your Financial Products to the buyer (or its agent).

We may deliver Financial Products at the same time as we receive payment or purported payment, or we may deliver Financial Products or payments before we receive the corresponding payment or Financial Product, in accordance with accepted market practice in the jurisdiction in which your Financial Products are located or will be located.

Section 3

Custody Terms

66 Costs

You must pay or reimburse us for all Costs that we incur or that we expect to incur in relation to the Financial Products, or that arise while we are performing our safe custody services under these Terms.

67 Charge

Our general charge rights are noted at clause 5.4. However, if you are a Retail Client, we will make sure that the Financial Products that are held under these Terms do not become subject to any security interest, charge, mortgage, lien or other encumbrance in our favour, except to the extent that it is for any Costs that we refer to in these Terms (other than our unpaid Fees) or in accordance with your written instructions.

68 Tax

You agree to pay any Tax that is due or that is assessed in connection with the Financial Products, including when the Financial Products are delivered to us or from us to any other person in accordance with these Terms.

Tax that is due, or that we expect to incur or owe, will be debited from a Cash Management Account of yours each month (in arrears), in accordance with the Relationship Terms.

69 Indemnities

69.1 Your indemnity

Without limiting any other indemnity, you indemnify us on a full indemnity basis for all Losses and Claims that we may incur that:

- (a) arise out of the performance of the safe custody services for you, or out of our holding any Financial Product in our name or the name of any Sub-Custodian; or
- (b) are payable in connection with our acquisition of any Financial Product.

69 Indemnities (cont.)

69.2 When your indemnity does not apply

You do not have to indemnify us if we incur a Loss or Claim as a result of our fraud or wilful default or our failure to exercise reasonable care, based on the standards that apply to us in the market in which your Financial Products are held, provided those standards are no higher than the standards that apply to us in Australia.

If you are a Retail Client, you do not have to indemnify us for any Loss incurred due to our failure to comply with our duties under these Terms or to observe reasonable standards generally applied by providers of custodial or depository services except where we have appointed a Sub-Custodian and that Sub-Custodian is insolvent and we took reasonable care in appointing and monitoring the Sub-Custodian's performance of its duties.

69.3 We will not be liable for unpaid amounts

We will not be liable in respect of unpaid calls or any other amounts that are owed in respect of any Financial Products held in relation to you.

70 Benefits that we receive when we provide you with safe custody services

We may keep and accept for our sole benefit any rebate (as may be authorised under any Exchange Rules or by any other relevant Regulatory Agency) that is paid to us by any broker, dealer, product issuer or underwriter in connection with any Transaction for you.

Section 4

DPM Terms

71 Our Discretionary Portfolio Management Service

If we approve you to use the DPM Service, these DPM Terms apply.

The DPM Service allows us to manage and deal with your Portfolio in accordance with an Investment Program, without receiving your instructions each time we deal with the Financial Products in your Portfolio.

Sometimes, a discretionary portfolio management service is called a managed discretionary account service. When we provide the DPM Service to Retail Clients, we rely on Relief for managed discretionary account services which is issued by ASIC, and which sets out conditions we must comply with when dealing with Retail Clients.

72 Investment Program

72.1 You have options about investment models

The Investment Program explains how we manage your Portfolio for you if you have a DPM Service account.

The Investment Program sets out a number of different model portfolio strategies and individual strategy options, referred to as DPM Options, that you can choose to apply to your DPM Service account. You nominate your DPM Options, when you complete an Application. You can also ask to change your DPM Options after your DPM Service account is opened, in a form that we approve.

The Application and the Investment Program (as it applies to your nominated DPM Options) are incorporated by reference and form part of our agreement with you.

72.2 Eligibility

There may be restrictions on the type of client which can access the DPM Service. These restrictions are set out in the Investment Program.

If you are a client of a Financial Intermediary, you acknowledge that the Investment Program does not contain, and we do not give you, any opinion about which DPM Options may be suitable for you.

In addition, you must meet the minimum investment amount requirements that are set out in the Investment Program.

72.3 Your Financial Intermediary may have to give you a Statement of Advice

If you are a Retail Client, your Financial Intermediary must give you a Statement of Advice that includes an opinion that one or more of the DPM Options are suitable for your particular personal circumstances.

73 Your settlement obligations

If you choose two or more DPM Options, you will need to have two or more DPM Service accounts. You will also need a separate Cash Management Account for each DPM Service account that we have for you, to facilitate the settlement of Transactions.

You authorise us to open and operate a DPM Service account and a Cash Management Account for each of your DPM Options including by depositing, redeeming or otherwise transferring funds in to and out of a Cash Management Account of yours and between Cash Management Accounts of yours if you have more than one.

While you have a DPM Service account, you agree that you will need our approval before you withdraw money from a Cash Management Account set up to facilitate settlement of transactions in your DPM Service accounts.

74 Appointment

Under the DPM Service, you appoint us to manage your Portfolio and to make investment decisions at our discretion. We will manage your Portfolio in accordance with the Investment Program and any special written instructions that we receive from you and which we approve.

75 Our functions

You appoint us to manage your Portfolio with full authority to take any of the following actions in relation to you (subject to any special written instructions that we receive from you and which we approve):

- (a) make investment decisions about the composition of your Portfolio;
- (b) deal with all or part of your Portfolio (including to purchase, subscribe for, sell, withdraw or otherwise realise your Financial Products);
- (c) exercise (or not exercise) at our discretion any rights that are attached to your Portfolio;
- (d) operate or access a Cash Management Account of yours in connection with your Portfolio (including to adjust the cash allocation of your Portfolio, withdraw funds to settle purchases of Financial Products and deduct any Fees or other amounts that we have a right to from a Cash Management Account of yours in accordance with clause 5);
- (e) aggregate orders or transactions in relation to your Portfolio with those in relation to other clients of the DPM Service;

Section 4

DPM Terms

75 Our functions (cont.)

- (f) arrange for a Service Provider to execute Transactions in Financial Products which form or are to form part of your Portfolio in accordance with the Transaction Terms;
- (g) provide safe custody services for your Financial Products which form part of your Portfolio in accordance with the Custody Terms;
- (h) do anything else in connection with your Portfolio that we consider to be proper, necessary or convenient;
- (i) place, subject to the Relief, money in a current account or deposit of any kind (or both) with any financial institution, in any jurisdiction and on such terms as we consider appropriate.

This includes placing money on any account jointly with the money of any other clients, and entering into any transaction jointly on your behalf for your account and for any other account of any of our other clients—provided that:

- (i) those actions will be recorded in our books and systems in a way that separately identifies the portion of the current account or deposit that is attributable to your Portfolio; and
 - (ii) all interest on the current account or deposit and all money, rights or property which may at any time accrue or be offered (whether by way of Benefit, redemption or otherwise) in respect of such current account or deposit, will be allocated proportionally;
- (j) enforce rights in, or in connection with, your Portfolio with the power to:
 - (i) instigate or discontinue any proceedings;
 - (ii) make any settlement;
 - (iii) comply with or submit to arbitration any matter that is in dispute or doubt; and
 - (iv) recover any Costs in enforcing such rights from a Cash Management Account of yours, or by selling or otherwise realising any Financial Product in your Portfolio to fund the payment of these Costs; and
 - (k) appoint a person as an asset or investment adviser to advise us on the Financial Products in your Portfolio. We are not bound to follow the advice of any asset or investment adviser, and we may end that person's appointment. If we do this, we will tell you that the appointment has been terminated and what the alternative arrangements are.

76 Available Financial Products

Under the DPM Service, we can deal in a broad range of domestic and international Financial Products whether they are listed or unlisted.

If your DPM Option is an investment strategy that requires us to meet obligations to pay margin or money, and the amount of the margin or money may vary by reference to something else, we will only purchase those Financial Products if we are satisfied that there is enough money in a Cash Management Account of yours to enable us to meet the relevant margin or payment obligations.

We may close out, at any time, a position if we reasonably expect that there may not be enough money in a Cash Management Account of yours to meet the margin or the payment obligations that arise in relation to it.

77 Custody

We will hold the Financial Products in your Portfolio (other than those Financial Products that a Service Provider or its nominee holds as collateral for a Margin Loan that you have with them) in safe custody in accordance with the Custody Terms. The arrangements concerning Cash Management Accounts are explained in clause 10.

78 Your rights concerning the Financial Products in your Portfolio

You have a beneficial interest in the Financial Products in your Portfolio. Everything that we do when we manage your Portfolio will be valid and binding upon you.

Section 4

DPM Terms

79 Charge for the DPM Service

We will agree with you what the Fees are for the DPM Service. We will debit those Fees from a Cash Management Account of yours each month in arrears.

You will reimburse us for any Costs that we incur in providing you with the DPM Service. We may debit these Costs from a Cash Management Account of yours.

If there is not enough money in a Cash Management Account of yours that we determine is the appropriate Cash Management Account from which to pay an amount you owe to us that is due under these Terms, you authorise us to sell or realise any property in the Portfolio and to use those proceeds to pay any amount that you owe to us.

80 Risks associated with the DPM Service

As with many Financial Products and services that you may choose to acquire, there are risks involved in appointing us to manage your Portfolio.

You acknowledge that you are aware of these risks, and that you have received and read our FSG, any Statements of Advice and all other risk disclosure materials or statements that we have given or made to you or that your Financial Intermediary has given or made to you in connection with your Portfolio or the Investment Program.

You acknowledge that:

- (a) the value of your Portfolio, particular Financial Products in your Portfolio and liabilities incurred in connection with your Portfolio may increase or decrease;
- (b) we do not guarantee that any actions that we take, or that we do not take, in connection with the investment and management of your Portfolio will produce the result that you expected or wanted; and
- (c) you are willing and able to assume the financial and other risks that are involved in the management of your Portfolio, and we have not made any representations or warranties about the performance or profitability of your Portfolio or the Investment Program.

81 Reporting for Retail Clients

If you are a Retail Client, the Corporations Act, the Relief and the Relevant Exchange Rules require us to give you particular information about your Portfolio (including transaction and performance reports). You agree that we can provide this information to you electronically.

82 Other obligations that we owe to Retail Clients

If you are a Retail Client, we must do each of the following, when we provide you with the DPM Service:

- (a) perform our obligations honestly, and with the degree of care and diligence that a reasonable person would take if they were in our position in providing the DPM Service to you;
- (b) act in your best interests and, if there is a conflict between your interests and our interests, give priority to your interests;
- (c) not use any information that we get through providing the DPM Service to gain an improper advantage for us or any other person, or to cause you any detriment;
- (d) comply with:
 - (i) the conditions of the Relief;
 - (ii) the Investment Program (except to the extent that you have agreed in writing to a change to the Investment Program); and
 - (iii) any representations in the FSG about how we will provide the DPM Service (except where you have agreed in writing with us that we do not have to comply with them); and
- (e) compensate you for any Loss caused by any act or omission of any Service Provider or other person that we engage to act on our behalf in connection with the provision of the DPM Service, other than a Financial Intermediary, as if the acts or omissions were our acts or omissions.

Section 5

Definitions and interpretation

83 Definitions

In these Terms, unless the context otherwise requires:

ABN stands for Australian Business Number and has the meaning given in the *A New Tax System (Australian Business Number) Act 1999* (Cth).

Account Associate means an Authorised Person or a Beneficial Owner.

Account Participant as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

ACN stands for Australian Company Number and has the meaning given in the Corporations Act.

AFS Licence means an Australian financial services licence as defined in the Corporations Act.

AML/CTF Act means the *Anti-Money Laundering and Counter-Terrorism and Financing Act 2006* (Cth).

Application means the form of application that we need from you to receive products and services from us.

APRA means the Australian Prudential Regulation Authority.

AQUA Products as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

ARBN stands for Australian Registered Body Number and has the meaning given in the Corporations Act.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691).

ASX Clear means ASX Clear Pty Limited (ABN 48 001 314 503).

ASX Clear Operating Rules means the operating rules of ASX Clear.

ASX Market Integrity Rules means the *ASIC Market Integrity Rules (ASX Market) 2010* (Cth).

ASX Operating Rules means the operating rules of the ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Authorised Person means a person that you appoint to give instructions on your behalf under clause 4.9.

Bank means each financial institution that we nominate for the purposes of clause 50.

Bankruptcy as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

Beneficial Owner has the meaning given in your Application.

83 Definitions (cont.)

Benefit in relation to a Financial Product means a dividend, distribution, bonus issue or similar event that represents a payment of income in relation to, or an increase in the number of, the relevant Financial Product.

Best Execution Arrangements means, if they apply, the arrangements that are set out in the document that is issued by the relevant Service Provider and given to you in accordance with Chapter 3 of the Competition Market Integrity Rules.

Broker Sponsored means a service under which, or a situation where, we establish and maintain a Participant Sponsored Holding on your behalf.

Business Day has the meaning that is given in the ASX Settlement Operating Rules, the ASX Clear Operating Rules or the ASX Operating Rules, as the context requires. If none of those applies, it means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney.

Cash Management Account has the meaning given in clause 10.2(b).

CHESS means the Clearing House Electronic Subregister System.

CHESS Subregister has the meaning given in the ASX Settlement Operating Rules.

Chi-X means Chi-X Australia Pty Ltd (ABN 47 129 584 667).

Chi-X Fidelity Fund means the compensation fund for certain losses incurred by investors who trade shares on Chi-X, known as the 'Chi-X Fidelity Fund'.

Chi-X Market Integrity Rules means the *ASIC Market Integrity Rules (Chi-X Australia Market) 2011* (Cth).

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

Clearing Participant means a participant of ASX Clear.

Compensation Fund means a compensation fund that a Relevant Exchange must establish under 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* (Cth).

Controlling Participant has the meaning given in the ASX Settlement Operating Rules, and includes a person who would become a Controlling Participant if there were a change of Controlling Participant.

Conversion as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

Section 5

Definitions and interpretation

83 Definitions (cont.)

Corporations Act means the *Corporations Act 2001* (Cth) supplemented by the Corporations Regulations or Relief.

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Cost means any fee, charge, expense, liability, damage, loss or sum, that is payable in relation to the products, services and circumstances referred to in these Terms, but excludes any Fee or Loss.

Crestone Company means Crestone Holdings Limited (ABN 41 606 011 974) and any Related Body Corporate.

Crestone Secured Party means a Crestone Company or a service provider to a Crestone Company, in whose favour you have granted a Security Interest in some or all of your Financial Products.

Crestone Wealth Management means Crestone Wealth Management Limited (ABN 50 005 311 937 AFS Licence No. 231127).

Crossing System means an automated service, other than on an order book, that matches Orders with orders of:

- (a) the provider of the service; and
- (b) their other clients.

Custody Terms means the terms and conditions described in section 3.

DPM Option has the meaning given in clause 72.1.

DPM Service means the discretionary portfolio management service that we provide as described in the DPM Terms.

DPM Terms means the terms and conditions described in section 4.

Electronic Delivery Document has the meaning given in clause 4.1.

Electronic Means means the delivery of communications or documents (or both) by electronic means other than electronic mail (email).

Exchange means a Relevant Exchange or an International Exchange.

Exchange Rules means the rules that govern trading on an Exchange, as amended from time to time.

Exchange Transaction means a Relevant Exchange Transaction or an International Exchange Transaction.

Fee means any fee referable to you as described in these Terms or the Specific Service Terms, whether or not they are charged by us or any of our Service Providers, including:

- (a) fees which relate to the Financial Products in your account;
- (b) fees which relate to your Transactions;
- (c) miscellaneous fees; and
- (d) any other fee that we determine from time to time.

83 Definitions (cont.)

FIM IDPS Guide means the *Crestone Wealth Management Portfolio Service Investor Directed Portfolio Service Guide for Financial Intermediary Clients*.

Financial Claims Scheme means the Financial Claims Scheme established under the *Banking Act 1959* (Cth).

Financial Intermediary means a person that is an AFS Licence holder or an authorised representative of an AFS Licence holder that has a current financial intermediary agreement with Crestone Wealth Management, but excludes a Crestone Company.

Financial Product means:

- (a) a financial product (as defined in the Corporations Act), whether or not it is traded on an Exchange; and
- (b) any other product that we determine is a Financial Product for the purpose of these Terms.

Financial Service has the meaning given in the Corporations Act.

FSG means the Crestone Wealth Management *Financial Services Guide* or the Crestone Wealth Management *Financial Services Guide for Financial Intermediary Clients*, as appropriate.

General Settlement Participant means a person who has been admitted as a general settlement participant of ASX Settlement.

GST means any goods and services or similar tax, together with any related interest, penalties, fines or other charges.

HIN means a Holder Identification Number that is issued by a Controlling Participant.

Holder Record as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

Holder Record Lock as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

Holding as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

IDPS means our investor directed portfolio service, which is the dealing, reporting, administration and custody service that we offer under the IDPS Guide and the FIM IDPS Guide, and that is governed by the IDPS Deed.

IDPS Deed means the deed executed on 5 July 2001 that sets out the terms on which we hold Financial Products for clients who utilise the IDPS.

IDPS Guide means the *Crestone Wealth Management Portfolio Service Investor Directed Portfolio Service Guide*.

Individual Linked Account means an account that you hold with an Australian bank or other financial institution that you nominate and we accept for use as an Individual Linked Account.

Section 5

Definitions and interpretation

83 Definitions (cont.)

International Exchange means any financial market that is operated outside Australia to which Orders may be transmitted for execution, or which provides clearing or settlement services concerning transactions on such a market.

International Exchange Rules means the rules that govern trading on an International Exchange.

International Exchange Transaction means a transaction in Financial Products that is executed on or reported to an International Exchange (and includes a Transaction that is executed through a Crossing System or other network or facility operated by a Crestone Company or a Service Provider and reported to an International Exchange).

Investment Manager means each entity that is referred to as an 'Investment Manager' for a DPM Option in the Investment Program.

Investment Program means the Crestone Wealth Management *Discretionary Portfolio Management Investment Program* that explains how we manage your Portfolio when we provide the DPM Service together with, if you are a Retail Client, any Statement of Advice that you receive from Crestone Wealth Management or from your Financial Intermediary in relation to your participation in the DPM Service.

Issuer Sponsored means a service under which, or a situation where, you hold securities and the issuer in which you purchased securities maintains the record of your holding. You are issued with a Securityholder Reference Number (SRN), which identifies you on the issuer's security subregister.

Issuer Sponsored Subregister as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

Joint Account means an account with us in the name of more than one account holder.

Liquidation means a sale, redemption, unwinding or liquidation.

Loss means a damage, loss, cost, expense or liability that the person concerned incurs, however it arises and whether it is present or future, fixed or unascertained, or actual or contingent.

Managed Fund means any managed investment scheme that is not listed on an Exchange.

Margin Loan means a margin loan that we agree to link, from an operational or administrative perspective only, to your Asset Advisory, Wealth Advisory, DPM Service, Custody, Broker Sponsored, Issuer Sponsored or FIM Custody and Reporting account.

Market Integrity Rules means any market integrity rules that are made by ASIC in accordance with the Corporations Act and that apply to a Relevant Exchange (including the ASX Market Integrity Rules, the Chi-X Market Integrity Rules and the Competition Market Integrity Rules).

83 Definitions (cont.)

Market Participant means in relation to an Exchange, a person who has been admitted as a Participant of that Exchange.

Maturity Date in relation to a Term Deposit means the date on which the Term Deposit matures and the principal and interest are due and payable.

National Guarantee Fund means the compensation fund for certain losses incurred by investors who trade shares on the ASX, known as the 'National Guarantee Fund'.

Notice means a notice given in accordance with clause 4.4 or 4.5 (as applicable).

Notice of Death as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

Order means an instruction that:

- (a) you place with us to purchase, sell, subscribe for or otherwise deal in Financial Products, including instructions to open or close a Transaction in derivatives; or
- (b) is placed by us or a Service Provider in accordance with these Terms or the Specific Service Terms in relation to you, as the context requires.

Participant means a participant of an Exchange, a clearing house or a settlement facility.

Participant Change Notice has the meaning given in the ASX Settlement Operating Rules.

Participant Sponsored Holding has the meaning given in the ASX Settlement Operating Rules.

Personal Information has the meaning given in the *Privacy Act 1998* (Cth).

Portfolio means a portfolio of Financial Products in respect of which services are provided under these Terms.

PPS Register means the Personal Property Securities Register that is established under the PPSA.

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

Principal Order has the meaning given in section 3.2.5 of the ASX Market Integrity Rules.

Product Disclosure Statement has the meaning given in the Corporations Act.

Professional Investor means a person who qualifies as a 'professional investor' under sections 708(11) and 761G(7)(d) of the Corporations Act.

Section 5

Definitions and interpretation

83 Definitions (cont.)

Proscribed Person means a person or entity whom we know or reasonably believe:

- (a) is a proscribed person or entity under the *Charter of the United Nations Act 1945* (Cth);
- (b) is in breach of any money laundering or counter-terrorism laws of any jurisdiction;
- (c) appears in a list of people with whom dealings are proscribed by a Regulatory Agency or government of any jurisdiction;
- (d) is a person or entity with whom we are not lawfully entitled to deal under a Regulatory Requirement that applies to us or to any other Crestone Company; or
- (e) is acting as agent for, on behalf of, or for the benefit of a person who meets any of the criteria set out above.

Registration Details as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

Regulatory Agency means:

- (a) any government, semi-government or regulatory authority (including any tax authority) in any jurisdiction; and
- (b) an operator of an Exchange, clearing house or settlement facility.

Regulatory Requirement means:

- (a) the statutory law, common law and case law of a relevant jurisdiction;
- (b) the rules, customs and usages of an Exchange, including the operating rules of a Relevant Exchange or International Exchange, clearing house or settlement facility;
- (c) the guidance or policy of any Regulatory Agency; and
- (d) any policy of a Crestone Company.

Related Body Corporate has the meaning given in the Corporations Act.

Related Party as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

Relationship Terms means the terms and conditions described in section 1.

Relevant Exchange means:

- (a) the ASX or Chi-X, or the financial markets they operate (as the context requires); and
- (b) any other financial market operated in Australia (whether or not it is licensed under 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 it is licensed under the Corporations Act).

83 Definitions (cont.)

Relevant Exchange Rules means the rules that govern trading on a Relevant Exchange, including the Market Integrity Rules.

Relevant Exchange Transaction means a Transaction that is executed on or reported to a Relevant Exchange (and includes a Transaction that is executed through a Crossing System, or other network or facility operated by a Crestone Company or a Service Provider and reported to a Relevant Exchange).

Relief means an instrument that is issued by ASIC that modifies the application of the Corporations Act in relation to a Financial Product or a Financial Service, and includes ASIC Class Order 04/194, which relates to managed discretionary account services.

Residency Indicator as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

Retail Client has the meaning given in the Corporations Act.

Securities Lending Arrangement means a transaction under which Financial Products are transferred from the owner (the lender) to another party (the borrower), where the borrower is obliged to return the Financial Products or equivalent Financial Products to the lender either when the lender demands or at the end of the loan term.

Security Interest has the meaning given in the PPSA.

Service Provider means any person that we engage as our delegate, sub-contractor, agent or other service provider to perform services for us or to provide services to you.

Specific Service Terms has the meaning given in clause 1.

Sponsoring Participant as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

Sponsorship Agreement means an agreement on the Sponsorship Terms.

Sponsorship Bond as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

Sponsorship Terms means the terms and conditions described in Schedule 2 to the Transaction Terms.

Statement of Advice has the meaning given in the Corporations Act.

Sub-Custodian means any sub-custodian or nominee that we appoint to assist us to provide services under the Custody Terms or to provide custodial services in respect of an Asset Advisory, Wealth Advisory or FIM Custody and Reporting account.

Section 5

Definitions and interpretation

83 Definitions (cont.)

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature in any jurisdiction (including any penalty or interest payable in connection with a failure to pay or any delay in paying such an amount) which is levied, collected, assessed or imposed by any governmental authority.

Term Deposit means a fixed rate, fixed term deposit account with a Bank.

Terms means all of the terms and conditions described in each section (including the Schedules) of this document and including in this section 5.

TFN stands for Tax File Number and has the meaning given in the *Income Tax Assessment Act 1936* (Cth).

Transaction means any transaction in Financial Products, whether or not it is executed on an Exchange (including the acquisition, disposal or redemption of unlisted Financial Products).

Transaction Settlement Account has the meaning given in clause 10.1(a).

Transaction Terms means the terms and conditions described in section 2.

Transfer as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

Wholesale Client has the meaning given in the Corporations Act.

Withdrawal Instructions as used in the Schedules to section 2, has the meaning given in the ASX Settlement Operating Rules.

84 Interpretation

Unless the context otherwise requires, any reference in these Terms to:

- (a) the singular includes the plural and the plural includes the singular;
- (b) the masculine includes the feminine and neuter;
- (c) any legislation or legislative provision includes any statutory change to, consolidation or re-enactment of, legislative provision substituted for, and any subordinate legislation issued under, that legislation or legislative provision;
- (d) these Terms, and any other agreement, document or instrument shall be construed as a reference to these Terms, and any other agreement, document or instrument as the same may have been, or may be amended, varied, novated, replaced or supplemented;
- (e) a time of day shall be the time in New South Wales;
- (f) a clause in a section or schedule are, except as otherwise stated, references to a clause of the section or schedule in which such references appear;

84 Interpretation (cont.)

- (g) a party to these Terms includes its successors in title, permitted assigns and permitted transferees; and
- (h) a person includes any person, firm, company, corporation, body corporate, government, state or agency of a state or any association, trust, unincorporated body of persons or partnership or two or more of the foregoing (whether or not having separate legal personality).

Some of the defined terms that are used in these Terms have the meaning given in the Exchange Rules, ASX Market Integrity Rules, ASX Operating Rules, ASX Clear Operating Rules or ASX Settlement Operating Rules (as the case may be). If you want a copy of these definitions, contact us.

Headings are for convenience only and do not affect the interpretation of these Terms.

If there is any inconsistency between:

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

the laws or rules that are referred to in clause 84.4(b) will apply.

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