



MARKET TERMS FOR AUSTRALIA

[Insert client's full legal name]

ABN [Insert client's ABN]

We are delighted that you have chosen CLSA to be your broker. These terms together with the CLSA Terms of Business ("**Terms of Business**", together "**CLSA Terms**") will govern the relationship between us.

1. Contracting Entity

You will contract with CLSA Australia Pty Ltd (ABN 53 139 992 331, Australian Financial Services Licence No. 350159) ("**CLSA Australia**") for all Transactions conducted in Australia. CLSA Australia is a Market Participant of ASX.

2. Incorporation of Terms

These terms are incorporated into the Terms of Business (including the relevant Schedules) as posted on our website (www.clsa.com/) and agreed between us. The CLSA Terms are legally binding and they take effect when you signify your acceptance by placing an order with us following your receipt of the CLSA Terms.

3. Additional Representations and Warranties; and Acknowledgements

3.1 You make the following representations and warranties to us, and those representations and warranties are repeated each time you use a Service:

- (a) that you are a Wholesale Client;
- (b) if the Service relates to an offer of Securities, that you are a sophisticated or professional investor for the purpose of section 708 of the Corporations Act;
- (c) if you are a holder of an AFSL, that you are not aware of any circumstances or events that would lead the cancellation, suspension or termination of your AFSL;
- (d) if you are a listed member of ASX, that you are not aware of any circumstances or events that would lead to a suspension of quotation of your securities or your removal from the official list of ASX;
- (e) that you are not an Employee of a Market Participant, a company controlled by such an Employee or a Controlled Trust to which ASIC Market Integrity Rule 5.4 would apply; and
- (f) that if you are acting as agent for an Underlying Principal, you have made

reasonable enquiries to satisfy yourself that the Underlying Principal's funds or assets which are paid or transferred to us under the Terms of Business, are not "proceeds of crime" within the meaning of the Proceeds of Crime Act 1987 (Cth).

3.2 You acknowledge and agree that all dealings in financial products (including Market Transactions) under the Services are subject to:

- (a) the Corporations Act;
- (b) the directions, decisions and requirements of ASIC and ASX, the ASIC Market Integrity Rules, the ASX Operating Rules, the Clearing Rules and where relevant, the Settlement Rules;
- (c) the customs and usages of the Market; and
- (d) the correction of errors and omissions.

3.3 Crossing Notification Reporting

- (a) You can elect not to receive the crossing notification and acknowledge that by agreeing to this clause, the notifications will not be sent; and
- (b) You acknowledge that you have the right at any time to receive the crossing notification by providing CLSA Australia with instructions and the relevant information required to provide this information to you.

4. Clearing Arrangements

4.1 We have entered into an arrangement with CSCA for the clearing and settlement of all transactions in financial products under the Securities Dealing Services.

4.2 Under the ASIC Market Integrity Rules and the ASX Rules, an agreement is deemed to have been entered into between you and CSCA (with us having the authority from CSCA to enter into that agreement accordingly) upon the terms set out in the Disclosure Statement. Such deemed agreement comes into existence immediately upon the receipt by us of an order from you to enter into a Cash Market Transaction.

5. DMA Services Acknowledgements and Requirements

5.1 You acknowledge and agree that we may at our discretion use Automated Order Processing to process your orders, provided those orders satisfy the requirements of the ASIC Market Integrity Rules and any

applicable ASX Rules in relation to Automated Order Processing.

5.2 You acknowledge and agree that, if we have provided you with Direct Market Access Services which permit an Authorised Person to use Automated Client Order Processing:

(a) the Authorised Person who is permitted to use the Automated Client Order Processing is:

- (i) you;
- (ii) an Officer or representative who is permitted to use the Automated Client Order Processing on your behalf; or
- (iii) your agent who you have appointed (in writing) to use the Automated Client Order Processing on your behalf;

(b) the DMA Services will operate in relation to the Australian Market only during ASX's normal trading hours and orders entered after ASX's normal trading hours will not be processed until the next ASX trading day;

(c) you and each Authorised Person must satisfy any requirements (including, without limitation, requirements as to knowledge, training, testing, procedures and controls) notified by us to you from time to time and any other requirements (if any) imposed directly by the ASIC Market Integrity Rules on the Authorised Person; and

(d) by using the Direct Market Access Services, your orders may match opposite orders of another person who is our client, and this may entitle us to receive commission from both sides of the transaction.

5.3 You acknowledge and agree that, if we have provided you with Direct Market Access Services which permits you to use Automated Client Order Processing, you may appoint any of your directors or employees or other persons to act as your agent for the purpose of entering orders using the Direct Market Access Services. By this document you authorise each person who is an Authorised Person from time to time to enter orders using the Direct Market Access Services in accordance with this document as your agent and the authority of each such person terminates when such person ceases to be an Authorised Person.

6. Dealing as Principal and Brokerage

In relation to all Market Transactions, we may enter into any Market Transaction on your behalf where we are also acting as principal on the other side of the transaction and by using the Securities Dealing Services or the Direct Market Access Services you consent to us doing so and authorise us to charge you brokerage, commission or any other fees in the amount disclosed to you from time to time in respect of such transactions.

7. Allocation of Orders

If you request, we will provide you with information about the current policy we adopt in the allocation of Market Transactions to fill orders placed with us.

8. Confirmation of transactions

By providing you with a confirmation in relation to a Market Transaction, you consent and authorise us to:

- (a) accumulate 2 or more Market Transactions and specify a single volume weighted average price for those Market Transactions; and
- (b) provide you with confirmations by means of an electronic communication including, without limitation, by email or by accessing a standing confirmation facility to obtain or view confirmations (if you do not wish to use a standing confirmation facility or if you wish to receive confirmations in paper form, you must advise us in writing).

9. Cancellations

You acknowledge and agree that we may, without your consent, cancel or amend (or request or agree to the cancellation or amendment of) an order or Transaction:

- (a) if ASX exercises its power under the ASX Operating Rules to cancel or amend (or require the cancellation or amendment of) the order or Transaction; or
- (b) in the event of an error or otherwise in the circumstances contemplated in the ASX Operating Rules.

Your and our obligations in relation to the order or Transaction cease to apply in respect of a cancelled order or Transaction from the time it is cancelled or, if the order

or Transaction is amended, continue to apply only as amended.

10. Client segregated money

If, for any reason, we are required to hold funds on trust on your behalf in an account, in accordance with section 981B of the Corporations Act (the "**Client Segregated Account**"), then you agree that we may retain any interest or other earnings on the investment for our sole and absolute use.

11. Short selling

11.1 You must not place an order to effect a sale which would contravene subsection 1020B(2) of the Corporations Act. For the avoidance of doubt, you may place an order if the sale would be a Covered Short Sale that is not prohibited by the Corporations Act.

11.2 Each time you place an order to effect a sale which would, if executed, constitute a Covered Short Sale, you must:

- (a) notify us and provide us with all information reasonably required by us to satisfy our short sale reporting obligations under the Corporations Act, the Corporations Regulations, the ASIC Market Integrity Rules and the ASX Operating Rules; and
- (b) comply with all applicable short selling obligations set out in Part 7.9 of the Corporations Act and Part 7.9 of the Corporations Regulations; and
- (c) any applicable ASIC declaration or instrument made under section 1020F(1) of the Corporations Act.

11.3 Without limiting Clause 11.2 of these Market Terms, you must also give us the information in relation to short selling which we notify to you from time to time and within the time required by us in such notification.

11.4 This Clause 11 will continue to apply after the termination of the Terms of Business.

12. GST

12.1 Unless expressly stated otherwise, any reference in these Market Terms or the Terms of Business to cost, expense, price, value, sales, revenue or a similar amount is a reference to that amount exclusive of GST. If GST is payable on any of the Services we provide to you under, by reference to or in connection with these Market Terms, you must also pay an additional amount on account of GST (the "**GST Amount**").

12.2 The GST Amount is payable on the earlier of the first date on which payments are due to us in connection with the provision of Services to you under these Market Terms and the date five Business Days after the date on which we issue a valid tax invoice in relation to the provision of Services to you.

12.3 If an adjustment event arises in respect of the provision of Services, the GST Amount will be adjusted to reflect the adjustment event and we, or you, as the case may be, must make any payments necessary to reflect the adjustment.

12.4 Any calculation of a cost, expense or other liability must exclude the amount of any input tax credit entitlement of a party (or any input tax credit entitlement of the representative member for a GST group of which the party is a member) in relation to the relevant cost, expense or liability. You will be assumed to have an entitlement to a full input tax credit unless you demonstrate otherwise prior to the date on which any payment is due.

12.5 All expressions used in this Clause 12 which are defined in the GST Law have the meanings given to them in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

12.6 This Clause 12 will continue to apply after the termination of the Terms of Business.

13. National Guarantee Fund

As we are a Participant of ASX, you may make a claim on the NGF in the circumstances specified under Part 7.5 of the Corporations Act. For more information on the circumstances in which you may make a claim on the NGF or for information on the NGF generally, contact the Securities Exchanges Guarantee Corporation Limited (ABN 19 008 626 793).

14. Governing law

These Market Terms are governed by the laws of New South Wales. You submit to the non-exclusive jurisdiction of courts exercising jurisdiction there in relation to any matter to which these Market Terms relates, and you waive any right to claim that those courts are an inconvenient forum.

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SCHEDULE - DISCLOSURE STATEMENT

1. Introduction

You have entered into an agreement with us for the execution of Market Transactions. We have a clearing arrangement in place with CSCA for the clearing and settlement of Market Transactions. CSCA is a Clearing Participant of ASX Clear, a clearing and settlement facility which clears Market Transactions. Under the ASIC Market Integrity Rules and the ASX Operating Rules, we are required to give you a copy of this Disclosure Statement before entering into a Market Transaction on your behalf, which explains the agreement which is taken to exist between you and CSCA. It is an important document which you should read and understand before entering into any Market Transaction.

2. Your Agreement with CSCA

CSCA is a Clearing Participant of ASX Clear, a wholly owned subsidiary of ASX.

By placing an order with the Broker you accept the following terms and conditions.

Whenever you effect a Market Transaction through us, CSCA carries the clearing and settlement obligations ("**Obligations**") to complete the sale or purchase, together with all obligations which are ancillary to the completion. CSCA must settle such Market Transactions as principal with ASX Clear or the relevant counterparty, even though the Market Transaction was entered into by us on your behalf. Accordingly, you owe Obligations under the sale or purchase contract directly to CSCA.

If you fail to pay any amount due in respect of a Cash Market Transaction or you fail to fulfil your settlement obligations in respect of a Cash Market Transaction, CSCA has direct rights against you, including rights of sale under the ASX Operating Rules and those set out below.

3. Rules Application

You acknowledge and agree to comply with, and acknowledge that your Market Transactions are subject to, these terms and conditions and all Market Requirements and in particular, the ASIC Market Integrity Rules, the ASX Operating Rules, the ASX Clear Operating Rules and the ASX Settlement Operating Rules and the directions, decisions and requirements of ASX and the customs and usages of ASX. Copies of those rules can be inspected at our offices on request.

4. Cancellations

You acknowledge and agree that CSCA may, without your consent, cancel or amend (or request or agree

to the cancellation or amendment of) a Market Transaction without your consent:

- (a) if ASX exercises its power under the ASX Operating Rules to cancel or amend (or require the cancellation or amendment of) the Market Transaction; or
- (b) in the event of an error or otherwise in the circumstances contemplated in the ASX Operating Rules.

CSCA's obligations in relation to the settlement of a Market Transaction cease to apply in respect of a cancelled transaction from the time it is cancelled.

5. Amendment

These terms and conditions may be amended from time to time. CSCA will give you ten (10) days' notice of any amendment, after which time, the amendment will become effective.

6. Governing law

These terms and conditions are governed by the law in force in New South Wales and you and CSCA submit to the non-exclusive jurisdiction of the courts of New South Wales and courts which may hear appeals from those courts.

7. CSCA

The details of CSCA are as follows:

Citigroup Securities Clearing Australia Limited
ABN 52 001 355 906
AFS Licence no. 284956
Address: Level 15, 120 Collins Street, Melbourne, VIC 3000, Australia
Telephone: +61 3 8643 9980

A Clearing Participant of ASX Clear and a Settlement Participant of ASX Settlement Pty Limited.

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Definitions and Interpretation

In these Market Terms, capitalised terms have the meaning given to them in the Terms of Business.

In addition, the following capitalised terms have the following meaning:

"AFSL" means an Australian financial services licence granted under section 913B of the Corporations Act.

"ASIC" means the Australian Securities and Investments Commission.



"ASIC Market Integrity Rules" means the ASIC Market Integrity Rules applying to trading on the financial market operated by ASX as amended from time to time.

"ASX" means ASX Limited (ABN 98 008 624 691) and, where the context requires, the market operated by ASX.

"ASX Clear" means ASX Clear Pty Limited.

"ASX Clear Operating Rules" means the clearing rules of ASX Clear as amended from time to time.

"ASX Group" means ASX and its subsidiaries.

"ASX Operating Rules" means the operating rules of ASX as amended from time to time.

"ASX Rules" means the operating rules of the ASX Group and includes, without limitation, the ASX Listing Rules, the ASX Operating Rules, the Clearing Rules and the Settlement Rules as amended from time to time, and any procedures under those Rules from time to time.

"ASX Settlement Operating Rules" means the ASX Settlement Operating Rules issued by ASX Settlement Pty Limited as amended from time to time.

"Authorised Person" has the meaning given in the ASIC Market Integrity Rules.

"Automated Client Order Processing" has the meaning given in the ASIC Market Integrity Rules.

"Automated Order Processing" has the meaning given in the ASIC Market Integrity Rules.

"Business Day" has the meaning given in the ASIC Market Integrity Rules.

"Cash Market Products" has the meaning given in the ASIC Market Integrity Rules.

"Cash Market Transaction" has the meaning given in the ASIC Market Integrity Rules.

"Controlled Trust" has the meaning given in the ASIC Market Integrity Rules.

"Corporations Act" means the Corporations Act 2001 (Cth).

"Corporations Regulations" mean the Corporations Regulations 2001 (Cth).

"Covered Short Sale" means a sale of Cash Market Products where you have borrowed the relevant Cash Market Products and you have, at the time you place the order, a presently exercisable and unconditional

right to vest those Cash Market Products in the buyer.

"CSCA" means Citigroup Securities Clearing Australia Limited (ABN 52 001 355 906).

"Disclosure Statement" means the Disclosure Statement set out in the Schedule of these Market Terms.

"Direct Market Access Services", in addition to the meaning given in the Terms of Business, includes Automated Order Processing and Automated Client Order Processing and any similar facility which enables the direct processing of orders on any equities market operated by the ASX Group.

"Employee" has the meaning given in the ASIC Market Integrity Rules.

"GST" has the meaning given by the *A New Tax System (Goods and Services Tax) Act 1999* (Cth), or, if that Act does not exist, any Act imposing or relating to the imposition or administration of a goods and services tax in Australia and any regulation made under that Act.

"GST Amount" has the meaning given in Clause 12 of these Market Terms.

"GST Law" has the same meaning as it has in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

"Market", in addition to the meaning given in the Terms of Business, also has the meaning in the ASIC Market Integrity Rules.

"Market Participant" has the meaning given in the ASIC Market Integrity Rules.

"Market Transactions" has the meaning given in the ASIC Market Integrity Rules.

"NGF" has the meaning given in the Corporations Act.

"Officer" has the meaning given in section 9 of the Corporations Act.

"Wholesale Client" has the meaning set out in section 761G of the Corporations Act.

References in these Market Terms to "we", "us" and "our" means, CLSA Australia.

Any other word or expression which is not capitalised in these Market Terms and which is defined in the Corporations Act has the meaning given in the Corporations Act.



A reference to any legislation or rules, or to any provision of any legislation or rules, includes any modification or re-enactment of it, any legislative provisions or rules substituted for it and all regulations and statutory instruments issued under it.