

Australian Bond Exchange Pty. Ltd

Client Services and Custody Agreement Terms and Conditions

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1 Definitions and Interpretations

1.1 Definitions

ABE means the Australian Bond Exchange Pty Limited (ABN 73 605 038 935).

ABE CAF means the 'ABE Client Application Form' completed as part of ABE's account opening procedures.

Acquired Assets means fixed income investments, fixed income products or securities acquired by the Client or by ABE as a function of its role in providing financial services to the Client or previously acquired by the Client.

ADI means an Authorised Deposit-taking Institution as defined in the policies of the relevant Regulator or the SIS Act.

AFSL means Australian Financial Services Licence.

Agent includes any agent of ABE from time to time (including a Sub-custodian), and any nominee of ABE and its agents.

Agreement means the agreement between the Client and ABE incorporating these Client Custody and Services Agreement Terms and Conditions, the ABE CAF and the Terms and Conditions of Dealing with Australian Bond Exchange Pty Limited set out herein and in Australian Bond Exchange Pty Limited's Financial Services Guide.

ANZ means the Australia and New Zealand Banking Group Limited (ABN 11 005 357 522).

Applicable Law means all applicable provisions of laws and regulations of Australia including all relevant rules, policies, directions and codes of Government Agencies, exchanges, trade, industry and clearing associations and self-regulatory organisations in Australia, including without limitation, the Corporations Act, the SIS Act, the SIS Regulations, the

Regulator's Policy (as applicable) and the National Privacy Principles and includes any relief granted from any such laws or regulations.

ASIC means the Australian Securities and Investments Commission or such other government authority that performs the role undertaken by ASIC in relation to the regulation of financial services.

ASIC Policy means any published ASIC publication or regulatory guide regarding the minimum requirements or expectations made by ASIC that apply to custodial arrangements such as those contained in this Agreement.

Authenticated Communication means any form of communication referred to in clause 5.9.

Authorised Person is a person designated as the primary contact to ABE in the ABE CAF or any other person designated in writing by the Client.

Bank Account means, in the context either:

- a) an account established and maintained by the Client with an ADI in the name of the Client for the purposes of receiving any Distribution; or
- b) in the absence of an account of that nature, the:
 - i) Trust Account or
 - ii) Retail CTA.

Business Continuity Plan means the business continuity plan maintained by ABE from time to time.

Business Day means a day which is not a Saturday, a Sunday, or a public holiday in Sydney.

Business Hours means between the hours of 9:00am and 5:00pm Australian Eastern Standard Time on a Business Day.

Claim means any claim, cost, damages, debt, expense, Tax, liability, loss, allegation, suit, action, demand, cause of action or proceeding of any kind irrespective of:

- a) how or when it arises;
- b) whether it is actual or contingent;
- c) whether it is fixed or unascertained;
- d) whether or not it is in respect of legal or other costs, damages, expenses, fees or losses;
- e) whether or not it is in respect of a breach of trust or of a fiduciary or other duty or obligation; and
- f) whether or not it arises at law or in any other way.

Client means the person identified in the ABE CAF.

Client's Assets means all Acquired Assets in which the Client has a beneficial interest including money to which the client is entitled which may be held by ABE or its Sub-custodians including in its Trust Account and Retail CTA and:

- a) which may be identified in writing by ABE or its Agents as the Client's Assets for the purpose of this Agreement; and
- b) which are transferred or delivered, from time to time, after the date of this Agreement to ABE by the Client or its agents and accepted by ABE for holding in accordance with this Agreement, together with:
 - (i) all investments, certificates and other instruments, from time to time, representing those moneys or Acquired Assets;
 - (ii) any earnings or interest in respect of the same; and
 - (iii) all Securities or other instruments into which such money or Acquired Assets are converted or sub-divided and held in accordance with this Agreement.

Compliance Officer means a person appointed by ABE to monitor and ensure compliance with the Regulator's Policy and this Agreement.

Confidential Information means this Agreement and the fact that this Agreement exists and any information relating to the business, systems, operations, properties, assets or affairs of the Client or its related bodies corporate which is or has been disclosed by the Client (or its

representatives) to ABE (or its representatives) or learnt or acquired by ABE (or its representatives) under or in connection with this Agreement, whether orally, electronically or in writing other than any such information which:

- a) was in the public domain at the time of its disclosure to or acquisition by ABE;
- b) became part of the public domain after its disclosure to or acquisition by ABE, otherwise than through a disclosure in breach of an obligation of confidence;
- c) is or came lawfully into the possession of ABE otherwise than as a result of a disclosure in breach of an obligation of confidence; and
- d) was independently known by ABE at the time of its disclosure to or acquisition by ABE, where a representative of a party means an officer, employee, agent, adviser, auditor, consultant or contractor of that party.

Consideration means the promises made by the parties to this Agreement and any amounts paid or payable by the Client to ABE pursuant to this Agreement.

Corporations Act means the Corporations Act 2001 (Cth).

Custody Account means the description of the system where a Sub-custodian holds assets for ABE on a pooled basis where such assets can comprise Clients' Assets.

Derivatives Contract includes any interest rate, currency, stock or commodity, futures contract, option, forward sale or purchase agreement, index contract or other contract, whether settled by delivery or by payment of differences or any other derivative as defined by section 761D of the Corporations Act (as relevant).

Distribution means any interest, dividend, right, bonus, redemption or other similar entitlement (whether in the form of cash, Securities or otherwise) distributed, issued, paid or provided to ABE as representing the beneficial interests of the Client.

Effective Date means the date the Client's Assets are first provided to ABE for the

purposes of this Agreement.

Electronic Transmission Service means any electronic communication platform or service acceptable to ABE for the transmission of communications and information for the purpose of this Agreement.

Event of Default means:

- a) the appointment of a receiver, manager or administrator of the other party, or the making of an order or the passing of an effective resolution for the winding up of the other party;
- b) if the other party makes any composition or arrangement with its creditors (other than for the purposes of a reconstruction) or is placed under official management; or
- c) if the other party ceases to carry on business.

Fees mean fees charged by ABE for the Services.

Force Majeure Event means a matter which is not reasonably within the control of ABE, including, without limitation, acts of God, strikes, lockouts or other interferences with work, war (declared or undeclared), blockades, disturbances, lightning, fire, earthquakes, storms, floods, explosions, governmental or quasi-governmental restraints, expropriations, prohibitions, interventions, directions or embargoes.

Government Agency means any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial body, department, commission, authority, tribunal, agency or entity.

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

Know Your Customer Procedures means the customer identification procedures notified by ABE to the Client from time to time for the purposes of clause 4.8.

Loss means any losses, damages, costs, expenses and liabilities, however arising,

including those that are prospective or contingent and those the amount of which is not ascertained or ascertainable, and includes loss of profit or expected profit, and diminution in value.

National Privacy Principles means the National Privacy Principles set out in the Privacy Act 1988 (Cth).

Notice means a notice, approval, consent or other communication, including Proper Instructions, in connection with this Agreement.

Portfolio means a division of the Client's Assets having common characteristics and terms.

Proper Instructions means any instruction, direction, demand, request or approval (which may include a Standing Instruction) made or given in accordance with Applicable Law and clause 5, in the form reasonably required by ABE and notified to the Client in writing, from time to time.

Records means up to date, complete and accurate records relating to the Services provided by ABE or its Sub-custodian/s under this Agreement including, without limitation, records of the daily trade transactions by the Client and records made up to identify the Client's Assets designated by the Sub-account.

Regulator means ASIC and/or and any of its successors.

Regulator's Policy means any published ASIC Policy, in writing which directly affects the discharge by ABE of its obligations under this Agreement.

Related Entity has the meaning given to the expression related body corporate in the Corporations Act.

Reports means each one of the custodial or other reports which ABE is required to provide pursuant to clause 3.14.

Retail Client means a Client that is a natural person, a family trust or the trustee of a self-managed superannuation fund.

Retail CTA means the Retail Client Trust Account and is the bank account maintained by ABE with ANZ as an AFSL holder under the Corporations Act in which Retail Client money may be pooled and deposited and on which ABE earns interest on the daily balance.

Securities means any securities, bonds, notes, deposits, financial products, negotiable debt instruments, instruments of every type, evidences of indebtedness, other instruments representing any interests, rights or obligations to receive, purchase, deliver or sell any of those interests, from time to time, forming part of the Client's Assets and Security has a corresponding meaning.

Securities Account means an account established and maintained by ABE with a Securities System.

Securities System means a securities depository system or any other book entry system for the central handling of securities in order to facilitate the settlement of transactions.

Services means the services provided to the Client by ABE in respect of the Client's Assets in accordance with this Agreement and such further services as may be agreed in writing between the Client and ABE.

SIS Act means the Superannuation Industry (Supervision) Act 1993 (Cth).

SIS Regulation means the Superannuation Industry (Supervision) Regulations 1994 (Cth).

Standing Instruction means a Proper Instruction which is expressed to be a standing instruction and which is to apply in respect of like transactions until revoked by further Proper Instructions.

Sub-account means the circumstances where Sub-custodian holds a Client's Assets in the Sub-custodian's name for a Client so that the beneficial interests of each Client is recorded in Records attributable to one or more individual assets held by the Sub-custodian or held for multiple Clients or which can be distinguished as being held

solely for the Client.

Sub-custodian means any company with an AFSL authorised to provide custodial or depository services to the public and meeting the Regulator's Policy appointed by ABE pursuant to clause 8 for the purposes of holding and safekeeping the Client's Assets.

Successor means a person appointed by the Client to provide all or part of the Services for the Client's Assets instead of ABE (which the successor may be the Client).

Tax means taxes, levies, imposts, charges and duties imposed by any authority (including stamp and transaction duties) together with any related interest, penalties, fines and expenses.

Transfer Period means the period of not more than 60 days (unless the parties agree otherwise in writing) from the termination of this Agreement until the Client's Assets have been transferred to the Client or a successor custodian under clause 14.

Trust Account means the bank account maintained by ABE with ANZ as an AFSL holder under the Corporations Act .

1.2 Interpretation

In this Agreement, unless the context otherwise requires:

- a) headings and underlined words are for convenience only and do not affect the interpretation of this Agreement;
- b) words importing the singular include the plural and vice versa;
- c) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency;
- d) a reference to anything includes a part of that thing;
- e) a reference to a part, clause, party, annexure, attachment or schedule is a reference to a part and clause of, and a

- party, annexure attachment and schedule to this Agreement;
- f) a reference to a document includes an amendment or supplement to, or replacement or novation of, that document and also includes, but is not limited to, a certificate, notice, instrument or an agreement in writing;
 - g) a reference to a party to a document includes that party's successors and permitted assigns;
 - h) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this Agreement or any part of it;
 - i) a reference to this Agreement includes any schedule or annexure to this Agreement;
 - j) a reference to dollars or \$ is a reference to the legal currency of the Commonwealth of Australia;
 - k) if the day on which any act or matter is required to be done is a day other than a Business Day, such act or matter must be done on the immediately succeeding Business Day;
 - l) a reference to an Act includes any regulations or delegated legislation made under that Act and any amendment to that Act or Act replacing that Act;
 - m) a reference to this document or Agreement is a reference to the Client Custody Agreement Terms and Conditions and the ABE CAF (including any schedules) which together form the agreement between the parties; and
 - n) if there is any inconsistency between the provisions of the ABE CAF and these Client Custody Agreement Terms and Conditions, the provisions of these Client Custody Agreement Terms and Conditions apply to the extent of the inconsistency.

2 Agreement and Appointment

2.1 Agreement

The Client and ABE enter into this Agreement in exchange for the Consideration.

2.2 Term

This Agreement commences from the Effective Date and will continue to have full force and effect until terminated in accordance with clause 13.

2.3 Appointment of Custodian

On and from the Effective Date the Client appoints ABE to:

- a) provide the Services; and
- b) delegate and appoint an Agent to serve as a third-party custodian and provide the Services in accordance with clause 8. Any Sub-custodian appointed by ABE must satisfy the financial requirements set forth in Regulatory Guide 166 and ABE will obtain an annual written assurance from the Agent that it satisfies such requirements.

Notwithstanding the foregoing, the parties agree that if ABE is appointed as a Custodian, it will only act as an "Incidental Provider" (as defined in Regulatory Guide 166.173) of the Services.

2.4 Holding of Client's Assets

ABE reserves the right, in its absolute discretion, to decline to hold any Client Asset proposed by the Client for the purposes of this Agreement.

2.5 Beneficial ownership of Client's Assets

ABE acknowledges and agrees that the beneficial interest in the Client's Assets held

under this Agreement shall, at all times, vest in the Client. Nothing in this Agreement shall affect the beneficial ownership of the Client's Assets.

3 Services

3.1 Services

- a) ABE agrees with the Client that ABE will take all reasonable steps to have its Agent do the following when providing Services or, if applicable, ABE will do the following when providing Services:
- (i) take custody of the Client's Assets and any documents evidencing title to the Client's Assets and hold them for the account of and on behalf of the Client or for the account of and on behalf of the Client in a Sub-account;
 - (ii) hold the Client's Assets as bare trustee either ABE in the name of a Sub-custodian or a Securities System (as appropriate) whereby the beneficial interest in the Client's Assets is held by the Client;
 - (iii) hold the Client's Assets separate and distinct from other assets held by Sub-custodian in its own capacity or on behalf of any other Client except where it is not practical or cost effective to do so, in which case Sub-custodian may, subject to Applicable Law, pool the Client's Assets in a Custody Account with assets of other persons and agrees to keep records in a way that enables the Client's Assets to be identified;
 - (iv) credit all Distributions, income and other payments due in respect of Client's Assets to the relevant Bank Account;
 - (v) act on Proper Instructions in accordance with this Agreement;
 - (vi) provide the Reports to the Client, in accordance with clause 3.14;
 - (vii) keep the Records in accordance

with clause 11.1;

- (viii) prepare and lodge returns and other documents required by Applicable Law to be lodged by a custodian of the Client's Assets;
- (ix) provide such other services as custodian as may be agreed in writing between the parties, subject to clause 3.1(b);
- (x) comply with the Applicable Law at all times; and
- (xi) act with reasonable care and in the Client's interests in performing the functions required of it under this Agreement.

- b) From time to time the parties may agree that ABE will provide other services to the Client in accordance with this Agreement. ABE will not be required to provide any such additional services unless this Agreement is amended to the reasonable satisfaction of ABE.

3.2 Authority of ABE

- a) ABE may (but is not obliged or under a duty to) do anything which ABE considers necessary or desirable in order to give effect to this Agreement or to comply with any obligations imposed upon it by Applicable Law.
- b) Without limiting clause 3.2(a), ABE is authorised to:
- (i) open and maintain Bank Accounts;
 - (ii) appoint any Agent or Sub-custodians or use any Securities System;
 - (iii) enter into all types of foreign exchange transactions on behalf of the Client which ABE considers are necessary to give effect to settlement of transactions entered into by the Client;
 - (iv) make deductions from the Client's Assets from time to time for the purposes of satisfying any obligation entered into by the Client in accordance with this Agreement;
 - (v) seek and act upon legal,

professional and other advice.

- c) In the event that any fractional interests arise as a result of a Distribution in relation to any Securities held by a Sub-custodian for and on behalf of the Client, the Sub-custodian will, subject to Applicable Law, retain that fractional entitlement after rounding down to the nearest whole Distribution owing to the Client.

3.3 ABE's Standard of Care

- a) To the maximum extent permitted by law, all obligations which might otherwise be implied or imposed by law on ABE are excluded. ABE owes no duties to the Client in relation to the Client's Assets or otherwise, other than:
- (i) to provide or have a Sub-custodian provide custody for the Client's Assets;
 - (ii) to act honestly and in good faith; and
 - (iii) to exercise the degree of care, diligence and skill that a reasonable person would exercise, as applicable in the relevant markets, if they were experienced in undertaking the duties described in clause 3.1.
- b) Other than in respect of the Client as described in clause 3.3(a), ABE owes no duties, and has no liability, to any other person with an interest in the Client's Assets.

3.4 ABE not Responsible

- a) Without limiting clause 3.3, ABE is not responsible for:
- (i) the title, validity, genuineness, good deliverable form or freedom from encumbrance, of any Asset;
 - (ii) providing advice to the Client in respect of any acquisition, disposal or other dealing with any Asset;
 - (iii) making any enquiry or investigation or ensuring that each Client Asset is

an authorised or permitted investment of the Client;

- (iv) ensuring the adequate or consideration is received for the acquisition or disposal of any Client Asset other than in accordance with Proper Instructions;
- (v) the accuracy or completeness of any information received from any third party or the Client; or
- (vi) except as provided in clause 3.15, holding or maintaining insurance in respect of the Client's Assets.

- b) The Client acknowledges that ABE is not responsible for monitoring or supervising the Client's Assets or their issuer in any way whatsoever. The duties and obligations of ABE under this Agreement do not include a duty to disclose any information ABE may have acquired or otherwise become aware of (unless expressly required to do so under another provision of this Agreement) or to monitor the compliance of the Client or its agents or any other person with any restriction or guidance imposed on the Client or any other person under any constituent document, law or obligation which is binding on the Client in respect of the Client's Assets.

3.5 Entry into contracts

ABE shall not be required to enter into contracts unless and until the contract includes a limitation of liability clause in a form acceptable to ABE.

3.6 Conflicts and Client Consents

- a) Without limiting clause 3.6(b), the Client consents to and agrees that ABE:
- (i) may acquire, dispose of or otherwise deal with any Securities or other obligation of the issuer of any Security, whether for its own account or otherwise;
 - (ii) when appointing an Agent under clause 8 ABE may appoint a Related Entity as the Agent of ABE;

- (iii) is not obliged to account to the Client for any income, profit or other benefit arising out of anything described in this clause 3.6; and
 - (iv) act for other persons who are also designated as 'clients' who have entered into an agreement either in this form or substantially in the form of this Agreement.
- b) Nothing in this Agreement shall prevent or restrict ABE or its Agents from:
- (i) dealing as principal or agent in any acquisition or disposal of assets for any purpose to or from:
 - A) the Client; or
 - B) ABE or its Agents.

for the account of the Client; or

- (ii) acting as custodian and/or trustee in any other capacity for any other person; or
- (iii) buying, holding and dealing in any assets for its own account or for the account of the Client notwithstanding that the same or similar assets may be held or dealt in by or for the account of the Client, and

ABE and its Agents shall not be affected by notice of or be under any duty to disclose any information which has come into their possession or knowledge as a result of the arrangements described in this clause 3.6(b).

3.7 Bank Accounts and Interest

Cash held by ABE in any Bank Account is held in its capacity as an AFSL holder.

ABE may:

- a) pool Retail Client money held in the Trust Account and deposit them into the Retail CTA,
- b) transfer a Retail Client's money from the Retail CTA to the Trust Account

for the payment and acquisition of Securities for that Retail Client.

- c) at the written request of a Retail Client, accept deposits into the Retail CTA,
- d) at the written authorisation of a Retail Client, transfer the Retail Client's money to a Bank Account,
- e) pay interest to Retail Clients on their balance in the Retail CTA under the terms and at the interest rate published on the ABE website.

Other than as provided for elsewhere in the Agreement, ABE is not entitled to and will not withdraw a Client's funds from the Bank Account except at the prior written request and authorisation of a Client.

3.8 Sufficient funds

a. The Client:

- (i) will provide prior written authority to ABE for ABE to direct debit the Client's Bank Account for payment of all transactions in connection with the Client's Assets or the acquisition of Client's Assets;
- (ii) will take all reasonable and practical steps to cause the Bank Account to have sufficient cleared funds in it to facilitate the completion on time of all transactions in connection with the Client's Assets or the acquisition of Client's Assets; and
- (iii) agrees that ABE is not obliged to complete any transaction in connection with the Client's Assets or the acquisition of Client's Assets unless the Bank Account contains sufficient cleared funds for that purpose.

b. If ABE becomes aware a Bank Account is overdrawn:

- (i) ABE or its Agent will take reasonable steps to promptly notify the Client of the overdraw; and
- (ii) the Client must arrange for such

Bank Account to be credited with monies to ensure that the Bank Account is not overdrawn.

3.9 Internal controls

ABE will itself, or will take reasonable steps to ensure that its Agent will:

- a) maintain at all times an organisational structure that, unless permitted by Applicable Law or any relief from the Applicable Law, ensures the segregation of the Client's and the assets of ABE's other clients;
- b) maintain at all times proper internal control structures and compliance systems that are designed to:
 - (i) prevent any material and/or systemic breaches of this Agreement by ABE; and
 - (ii) ensure that any material and/or systemic breaches are promptly detected and reported to the Client;
- c) ensure that there is a separation of powers, functions and responsibilities between the officers, employees and staff of ABE in relation to:
 - (i) the Services; and
 - (ii) the internal auditing by ABE of the compliance with its internal control structures and compliance systems;
- d) ensure that officers, employees and staff of ABE at all times have the experience, knowledge and skills necessary to carry out the Services under this Agreement; and
- e) document its internal control structures and compliance systems.

3.10 Compliance

- a) ABE will itself, or will take reasonable steps to ensure that its Agents will ensure that its internal control structures and compliance systems are accessible for audit over each financial

year by ABE's auditor and shall ensure that, at least annually, documentation recording the internal control structures and compliance systems are reviewed by the Compliance Officer for the purposes of assessing accuracy and ongoing relevance of those structures and systems with the Compliance Officer being required to report within 2 months of the end of each financial year to the board of directors of ABE on any significant irregularities which may have been detected or with respect to system improvements considered desirable. The report to be made by the Compliance Officer may be delegated to ABE's auditor and shall also contain details of any exceptions to compliance with the Regulator's Policy.

- b) ABE will itself, or will take reasonable steps to ensure that its Agents will, at the written request of the Client or a Regulator, and at the cost of the Client, arrange for an independent auditor retained by ABE to provide a report to the Client on the effectiveness of ABE's internal controls, policies and ABE's compliance with them in relation to ABE's obligations to the Client under this Agreement.
- c) If ABE becomes aware or reasonably considers that it has not or may not comply with any representation or warranty in this Agreement or that it has or may materially breach a provision of this Agreement, ABE will itself, or will take reasonable steps to ensure that its Agent will:
 - (i) as soon as practicable, provide a written report notifying the Client of the non-compliance or material breach (as the case may require); and
 - (ii) use its reasonable endeavours to comply with Proper Instructions of the Client in relation to the non-compliance, material breach or likely material breach.
- d) ABE may from time to time prepare records and reports which contain taxation calculations and which relate

to taxation payments made by ABE in the course of providing the Services. ABE will prepare such records and reports in accordance with the standard of care set out in clause 3.3.

3.11 Force Majeure

- a) If a Force Majeure Event occurs which, in the opinion of ABE, significantly interrupts the Services, ABE will itself, or will take reasonable steps to ensure that its Agents will:
- (i) notify the Client of the Force Majeure Event and the extent of its effect on the provision of the Services;
 - (ii) put into action its Business Continuity Plan; and
 - (iii) deliver the Services with a minimum of interruption to, and reduction of, the Services,
- as soon as practicable after the occurrence of the Force Majeure Event.
- b) If the Services are not provided in full and without interruption within 20 Business Days after receipt of the Notice under clause 3.13(a)(i) (or such longer period as may be agreed by the Custodian and the Client) the Client may immediately terminate this Agreement by giving Notice in writing to ABE.

3.12 Reports

- a) In order for the Client to monitor the performance of ABE and any Sub-custodian, ABE will provide the Client with reports.
- b) The Reports shall comprise:
- (i) a written transaction report whenever Client money is invested or expended by ABE for the acquisition of a Security pursuant to Proper Instructions or where a Security is sold or disposed of by ABE for the Client pursuant to Proper Instructions;

- (ii) a written monthly holding statement showing the Client's interest at that time in the Client's Assets held by ABE;
- (iii) a written yearly summary report made up to 30 June in each year showing the Client's interest at that time in the Client's Assets held by ABE;
- (iv) other written reports which the Client may reasonably request of ABE relative to the Client's Assets.

- c) The Client acknowledges and agrees with ABE that:
- (i) ABE does not advise on taxation matters;
 - (ii) the records and reports described above may not be sufficient or accurate for the purposes of the Client discharging its obligations under any relevant law, regulation or other obligation of the Client;
 - (iii) the Client should seek and obtain confirmation of the adequacy of such records and reports from its internal or external tax advisers; and
 - (iv) ABE will not be liable to the Client or any other person for any loss or damage resulting from the insufficiency or inaccuracy of such reports for the purposes of the Client's compliance with any relevant law, regulation or other obligations of the Client.

3.13 Insurance

ABE will itself, or will take reasonable steps to ensure that its Agent will maintain adequate insurance coverage the greater of:

- a) the level, if any, required by the Regulator's Policy (as applicable); and
- b) levels consistent with usual market practice.

3.14 Anti-Money laundering and sanctions

- a) The Client agrees that ABE may delay, block or refuse to make any payment, receive any money, process any transaction or deal with any Client's Assets without incurring any liability if ABE suspects that:
 - (i) making or receiving the payment, processing the transaction or dealing with the Client Assets in connection with the provision of the Services may breach any law or regulation in Australia or any other country relating to anti-money laundering, criminal or terrorist activities or economic and trade sanctions;
 - (ii) the transaction involves any person (natural, corporate or governmental) that is itself sanctioned or is connected, directly or indirectly, to any person that is sanctioned under economic and trade sanctions imposed by the United States, the European Union or any country; or
 - (iii) that transaction may directly or indirectly involve the proceeds of, or be applied for the purposes of, unlawful conduct.
- b) To the extent permitted by law, ABE will itself, or will take reasonable steps to ensure that its Agent will promptly provide the Client with Notice which if practicable will be prior Notice, if it's unable to act under this clause.
- c) The Client must provide all information to ABE which ABE reasonably requires in order to manage anti-money laundering, counter-terrorism financing or economic and trade sanctions risk or to comply with any laws or regulations in Australia or any other country in connection with anti-money laundering, criminal or terrorist activities or economic and trade sanctions as they affect the provision of the Services.
- d) The Client agrees ABE may disclose information which has been provided by

the Client where required by any laws or regulations in Australia or any other country in connection with anti-money laundering, criminal or terrorist activities or economic and trade sanctions as they affect the provision of the Services. If the consent of an agent of the Client is required in respect of such disclosure, the Client undertakes to use all reasonable measures in order to obtain such consent as soon as reasonably practicable.

- e) The Client declares and undertakes to ABE that to the best of its knowledge the payment or receipt of monies or dealing with other Client's Assets by ABE in accordance with any Proper Instructions given by the Client will not breach any laws or regulations in Australia or any other country in connection with anti-money laundering, criminal or terrorist activities or economic and trade sanctions.

4 Client's Representatives

4.1 Client to appoint representatives

The Client must authorise, and keep authorised, one or more persons (which may be the client) in accordance with the procedure set out in clause 4.2 for the purpose of giving Notices and Proper Instructions to ABE on its behalf.

4.2 Appointment of Authorised Persons

- a) The Client must, including if using an Electronic Transmission Service as a means of issuing Proper Instructions, on or before the Effective Date and any time thereafter as necessary, certify to ABE in writing, the full name, position and specimen signature, or its electronic equivalent, of each person empowered to give Proper Instructions and Notices in writing to ABE on behalf of the Client and the email address of each such person, each being an Authorised Person.

- b) ABE will be entitled to rely upon the identity and authority of such Authorised Persons where any email is received by ABE and recorded as having been sent from the email address of an Authorised Person (notwithstanding that the email might not have actually been sent by that Authorised Person).

4.3 Changes to Authorised Persons

- a) The Client may, from time to time, amend, vary, add to, delete from or substitute the particulars of any Authorised Person empowered to give Proper Instructions and Notices on the Client's behalf (as the case may be) by giving a further Proper Instruction to ABE.
- b) Such Proper Instructions will be in a form agreed in writing between the parties, advising the full name and position of any person whose authority to give such Proper Instructions and Notices has been revoked together with the date of such revocation and/or the full name and position and specimen signature, or its electronic equivalent, of any person who has been empowered to give such Proper Instructions and Notices together with the date of such authorisation.
- c) ABE will be entitled to rely upon the identity and authority of any Authorised Person until it receives a Proper Instruction from the Client that such authority is revoked, regardless of the "Date of Revocation" specified in the Proper Instruction, or as otherwise agreed between the parties in writing.

4.4 Agents issuing Proper Instructions

- a) The Client may appoint an agent, for the purpose of giving Proper Instructions in accordance with this clause 4.4.
- b) The Client must immediately notify ABE, in writing:

- (i) of the appointment of an agent; and
- (ii) of the revocation of any appointment, in the form as may be agreed between the parties in writing.

- c) The Client will ensure that its appointment of any agent includes any powers or authority necessary for such agent to:

- (i) deal with the Client's Assets;
- (ii) operate those accounts or sub-accounts that form part of the Client's Assets; and
- (iii) give ABE Proper Instructions regarding the same.

4.5 Client responsible for all agents

The Client agrees that:

- a) it is fully responsible for the acts and omissions of all Authorised Persons including a breach of this Agreement by that person;
- b) ABE will be entitled to rely upon the identity and authority of any Authorised Person until it receives a Proper Instruction from the Client that such authority is revoked, regardless of the "Date of Revocation" specified in the Proper Instruction, or as otherwise agreed between the parties in writing;
- c) ABE must be afforded a reasonable time to act on any appointment or revocation given by the Client in accordance with the procedures set out in this clause 4; and
- d) ABE may treat the acts and omissions of, and breach by, any Authorised Person as the acts and omissions of, and a breach by, the Client under this Agreement.

4.6 Indemnity

The Client indemnifies ABE for any loss or damage suffered, directly or indirectly, as a

consequence of acting on the instructions of any person who appears to be properly appointed as an Authorised Person, but is not in fact.

4.7 Evidence of authority

a) ABE will be entitled to rely upon:

- (i) any instructions, Notice, request, consent, certificate, instrument or paper reasonably believed by it:
 - A) to be genuine; and
 - B) to have been properly executed or otherwise given by or on behalf of the Client; and
- (ii) where the Client is a corporation, except where it has written Notice to the contrary, a certificate signed by 2 directors or 1 director and the secretary or sole director and secretary of the Client as conclusive evidence of:
 - A) the authority of any person to act in accordance with such certificate; or
 - B) any determination or of any action by the Client as described in such certificate.
- (iii) Such certificate may be considered as in full force and effect until receipt by ABE of notice to the contrary.

4.8 Verification of Authorised Persons

In conjunction with clause 3.16, ABE is required to undertake certain regulatory checks, Know Your Customer Procedures, on the Authorised Persons as set out in the ABE CAF unless those persons are shown as company directors or the company secretary on acceptable information produced for this purpose.

5 Proper Instructions

5.1 Custodian's Authority

- a) The Client authorises and directs ABE to act on any Proper Instructions subject to any limitations set out in this Agreement.
- b) The Client agrees that ABE is only required to act on Proper Instructions.

5.2 Proper Instructions

A Proper Instruction will be given:

- a) by the Client or any Authorised Person;
- b) to ABE if it wants ABE to deal with an Asset;

and in any of the following forms:

- a) in writing in accordance with the form and one of the methods set out in clause 19; or
- b) in an Authenticated Communication; or
- c) by oral communication, telephonic communication, email or other electronic mode of communication purporting to be from the Client or any Authorised Person; or
- d) in such other manner as may be agreed upon from time to time by ABE and the Client.

5.3 Proper Instructions binding on Client

- a) The Client agrees that any Proper Instructions received by ABE will be deemed to have been given by the Client and will be binding on the Client.
- b) ABE is entitled to assume that any Authorised Person continues to be authorised until ABE is notified in writing to the contrary.

5.4 No obligation to act

The Client agrees that ABE is not required to comply with any instructions (Proper Instructions or otherwise) that, in ABE's opinion:

- a) are incomplete, ambiguous or unclear; or
- b) are contrary to the terms of this Agreement, Applicable Law or local market practice; or
- c) may expose ABE to loss or liability.

5.5 Inability to comply with Proper Instructions

- a) ABE will itself, or will take reasonable steps to ensure that its Agent will as soon as reasonably practicable:
 - (i) to the extent permitted by law, notify the person issuing the Proper Instructions, if ABE is unable to fully comply with those instructions for any reason, and the reason why it is unable to comply; and
 - (ii) take such steps as it considers reasonable to notify the Client and seek clarification or confirmation from the Client before carrying out any Proper Instructions which appear to ABE to:
 - A) be ambiguous or unclear;
 - B) contain a manifest error; or
 - C) conflict with earlier Proper Instructions, unless clause 5.6(a) applies.
- b) If ABE reasonably requires clarification of any Proper Instructions, it will not be liable for any loss arising from a delay in obtaining such clarification, provided that it:
 - (i) has requested that clarification promptly; and
 - (ii) used reasonable endeavours to

minimise any such delay.

5.6 Conflicting Instructions

- a) Any Proper Instructions cancelling or superseding earlier Proper Instructions must be received by ABE at a time and in a manner that accords ABE a reasonable opportunity to act upon such Proper Instructions.
- b) ABE or its Agent may do anything which is, in ABE's reasonable opinion, necessary or incidental to carrying out any Proper Instructions given under this Agreement.

5.7 Custodian's limitation of liability

ABE will not be liable for any loss arising where:

- a) a Proper Instruction is not received within sufficient time, having regard to the nature of the Proper Instruction, for ABE to act on such Proper Instructions;
- b) the counterparty to the transaction contemplated by the Proper Instruction does not accept that Proper Instruction, for any reason other than the fault of ABE. It will not be a fault of ABE if ABE is not eligible to act on a Proper Instruction received from the Client.

5.8 Client's internal controls

The Client will implement internal procedures to ensure that the only Proper Instructions received by ABE are Proper Instructions appropriately authorised by the Client in accordance with this Agreement.

5.9 Authenticated Communications

- a) A communication between the Client and ABE will be an Authenticated Communication if it is authenticated by either:
 - (i) a test mechanism included as part of its communication system; or

(ii) a test key, smart card or other electronic security system, which ABE has issued to and received acknowledgment in writing from the Client from which the communication purports to emanate which ensures that:

- A) both the sender and recipient are the persons to or from whom the information, the subject of the communication, should be sent or received; and
- B) the content of the communication meets ABE's system standards requirements.

- b) ABE will be kept indemnified by and be without liability to the Client or any other person for any action taken or omitted by it in reliance upon receipt by ABE of transmissions of information with the proper security code, test keys or password, including instructions purporting to be Proper Instructions, which ABE reasonably believes to be from the Client.
- c) The Client must take, and must ensure that any agent of the Client takes, all reasonable steps to safeguard any security codes, passwords, test keys or other security devices which ABE will make available.

5.10 Receipt of Proper Instructions

Upon the receipt by ABE of any Proper Instruction from the Client, ABE will itself, or will take reasonable steps to ensure that its Agent will use its reasonable endeavours to process such Proper Instruction, as soon as possible, after receipt.

6 Communications relating to Client's Assets

6.1 Communications relating to Client's Assets

- a) Unless otherwise agreed between the parties, where ABE has received written information affecting the Client's Assets held in under this Agreement and considers, in its absolute discretion, that the information is of a material nature, ABE will itself, as soon as reasonably practicable:
 - (i) notify the Client that such information is available and how to access the information;
 - (ii) deliver to the Client the written information; or
 - (iii) provide the Client with access to the written information by way of a link or directions thereto, except where such transmission is restricted or prohibited by any relevant law or by the issuing party, or its agent.
- b) Despite the operation of clause 6.1(a), ABE and ABE will not be liable for, and has no duty to verify, the accuracy or content of written information received by ABE and on-forwarded to the Client and makes no representation as to the accuracy or completeness of any translated information provided to the Client.
- c) The Client agrees and acknowledges that, subject to Applicable Law, ABE will not be liable to the Client if it does not pass on any written information received by it where it considers in its absolute discretion that such information is not material to the Client.
- d) The Client acknowledges that ABE will not be liable to the Client or any third party for any loss that may result from relying on any Notice on-forwarded from ABE to the Client.
- e) Due to the propensity for incorrectly

misconstruing Proper Instructions given orally such as in person, by voice mail or by telephone, the Client acknowledges and agrees that neither ABE, nor the Sub-custodian will be liable in any circumstances, to the Client or any third party for loss, which arises from ABE and/or ABE innocently misconstruing or misunderstanding any Proper Instructions given orally to ABE.

6.2 Proxies

ABE and/or the Sub-custodian:

- a) is not required to attend any meeting to act as the Client's proxy; and
- b) is not required to lodge proxy votes on behalf of the Client unless the Client gives ABE Proper Instructions detailing the Client's voting instructions.

6.3 Limitation of liability

ABE will not be liable for any late exercise of any right or power in connection with a Client Asset unless it has received a Proper Instruction and the Sub-custodian is in actual possession of those Client's Assets at least three (3) Business Days prior to the date on which such right or power is to be exercised.

7 Encumbrances over Client's Assets

7.1 No encumbrances

Subject to clause 7.2, and except as permitted by Applicable Law in respect of expenses of and outlays made by ABE in accordance with this Agreement, ABE must not take a charge, mortgage, lien or other encumbrance over or in relation to the Client's Assets.

7.2 Lien and right of set off

ABE:

- a) has a continuing lien over the Client's

Assets; and

- b) may at any time exercise a right of set off against the Client's Assets,

for payment of any:

- (i) expenses incurred by ABE in accordance with this Agreement for which the Client does not promptly reimburse ABE or is otherwise due for payment by the Client to ABE under this Agreement; or.
- (ii) Other amounts in accordance with the Client's instructions.

However, if the Client is an AFSL holder, this clause 7.2 does not apply (and is deemed to be limited accordingly) to the extent that it is inconsistent with any condition on the Client's AFSL to the effect that requires the arrangement with ABE to prohibit ABE taking a lien over, or exercising a right of set off against, the Client's Assets.

7.3 Authority

In order to fully and effectively exercise the lien and right of set off in this clause 7, ABE may do anything else in the name of the Client which ABE considers is reasonably necessary.

8 Agents

8.1 Appointment by ABE

ABE may with the prior written consent of the Client (which consent will not be unreasonably withheld or delayed) appoint and use the services of any other person (including a Related Entity) as an Agent.

8.2 Delegation by Custodian

- a) ABE may delegate to an Agent the performance of any of the duties and exercise of the powers of ABE under this Agreement as ABE considers it necessary or desirable to carry out its

obligations under this Agreement.

- b) ABE may appoint a Sub-custodian to perform any of ABE's duties under this Agreement with all or any of ABE's powers under this Agreement, including the power of delegation in this clause 8.2.

8.3 Sub-custodian

The Client:

- a) agrees and acknowledges that ABE, without the Client's express written consent or authority has appointed a Sub-custodian to hold the Client's Assets;

and

- b) agrees that ABE may utilise the services of any other Sub-custodian, without the Client's express written consent or authority.

8.4 Responsibility for Agents (including Sub-custodians)

- a) If ABE appoints an Agent which is a Related Entity, ABE accepts the same level of responsibility for that Related Entity as for ABE's own acts.
- b) If ABE appoints an Agent which is not its Related Entity ("Non Related Entity"), ABE is not liable to the Client for the solvency, acts or omissions of the Non Related Entity or other third party by whom or in whose control any Client's Assets (or documents evidencing Client's Assets) are held.
- c) If the Client suffers loss or damage as a result of the solvency, acts or omissions of a Non Related Entity ABE will, when and to the extent reasonably requested in writing by the Client, either:
 - (iii) make available to the Client any rights that ABE may have against a Non Related Entity or any other third party; or
 - (iv) take all reasonable and necessary

steps to recover such loss and damage suffered by the Client from a Non Related Entity or any other third party and will pay any moneys recovered to the Client, less any expenses and costs incurred by ABE in the recovery process, provided ABE is indemnified by the Client to the extent reasonably required by ABE in relation to the taking of such steps (including legal costs and expenses on a full indemnity basis).

8.5 Responsibility of ABE

- a) ABE will be responsible for:
 - (i) prudently selecting and monitoring the performance of any Agent it appoints pursuant to this clause 8;
 - (ii) all remuneration and other financial arrangements with those Agents unless otherwise agreed with the Client; and
 - (iii) making reasonable enquiries to ensure those Agents continue to exercise reasonable care in the provision of the Services.
- b) ABE may terminate the appointment of any Agent when ABE deems appropriate.
- c) When ABE appoints a Sub-custodian there must be a written agreement with that Sub-custodian covering, to the extent practical and relevant:
 - (i) the issues covered in this Agreement; and
 - (ii) the liability of the Sub-custodian to ABE and Client.
- d) ABE will, at the earliest practical time, provide the Client with written Notice of:
 - (i) the termination of the appointment of any Sub-custodian which holds the Client's Assets; and
 - (ii) any proposed subsequent appointment of a new or replacement Sub-custodian which it

wants to use to hold the Client's Assets.

- e) ABE will not be responsible for losses arising from the insolvency of a Sub-custodian appointed by it.

8.6 Securities depositaries and clearing agencies

- a) The Client:
 - (i) authorises ABE and its Sub-custodians to appoint and deposit all or any part of the Client's Assets with a Securities System;
 - (ii) understands and agrees that any securities depositary or clearing agency operating the Securities System is not an Agent of ABE or its Sub-custodians; and
 - (iii) agrees that ABE and its Sub-custodians are not liable to the Client for the solvency, acts or omissions of any such securities depositary or clearing agency or the Securities System.
- b) ABE will, and will request its Sub-custodians to, make available to the Client, when and to the extent reasonably so requested by the Client, any rights that ABE and its Sub-custodians may have against such securities depositary or clearing agency or the Securities System.

9 ABE's liability

9.1 Liability

- a) ABE accepts liability under this Agreement based on the standards of reasonable care applicable in relevant markets.
- b) ABE will reimburse the Client for all losses, liabilities, damages, amounts paid in settlement, reasonable costs and expenses (including reasonable legal fees) ("Losses") directly resulting from or arising out of:

- (i) any breach of this Agreement, including without limitation any failure to comply with the standard of care set out in clause 3.3, by ABE or any of its officers, employees, Related Entities; or
- (ii) any willful misconduct, negligence or fraud of ABE or any of its officers, employees or Related Entities in connection with this Agreement.

9.2 Limitation on liability

Notwithstanding any other term of this Agreement:

- a) ABE will have no liability to the Client or any other person, whether for negligence, breach of contract, breach of duty, breach of regulation, misrepresentation or otherwise in respect of the provision of Services or otherwise for any:
 - (i) loss of profit, loss of goodwill, loss of opportunity or any other economic loss; or
 - (ii) indirect, special, punitive or consequential Losses (whether or not in the contemplation of the parties at the date of this Agreement); or
 - (iii) any damage, loss, cost or expense resulting from or caused by:
 - A) events or circumstances beyond ABE's control including currency restrictions, disruption of the normal procedures and practices of any securities market, power or communications services failure, acts of war or terrorism, riots, revolution;
 - B) the occurrence of a Force Majeure Event;
 - C) the general risks of investing;
 - D) acting in good faith on Proper Instructions; or

- E) in acting upon any certificate, consent, instruction, instrument, Notice or request reasonably believed by it to be genuine and to be signed or otherwise given by the proper party or parties.
- b) ABE shall have no liability to the Client or any other person for any damage, loss, cost or expense to the extent that:
 - (i) such damage, loss, cost or expense is caused by or contributed to by a breach of trust by the Client in connection with the Client's Assets;
 - (ii) the Client could have reduced or avoided such damage, loss, cost or expense by exercising reasonable care and diligence in seeking to mitigate such damage, loss, cost or expense; and/or
 - (iii) such damage, loss, cost or expense is caused by the misconduct, negligence or fraud of, or the breach of the terms of this Agreement by the Client or any of its officers, agents or employees.
- c) Where, in taking any action to compensate a Client under this Agreement, ABE receives a benefit as a consequence of such action, the Client agrees that ABE may retain such benefit on its own account.

10 Client's obligations and indemnity

10.1 Performance and discharge of obligations

The Client will:

- a) provide ABE, on request, with any documents, information or Proper Instructions reasonably required by ABE to enable it to perform the Services; and
- b) execute such documents and do such acts, at its expense, as may reasonably

be required by ABE, to comply with any Applicable Law which directly impacts upon the discharge by ABE of its obligations under this Agreement.

10.2 Regulator's communications

The Client will provide ABE and ABE, if ABE is not acting as ABE, with a copy of any communication from a Regulator immediately upon receipt that affects or might affect:

- a) the Client's ability to exercise its rights and perform its obligations in relation to the Client's Assets and this Agreement; or
- b) ABE or any of its agents in relation to the performance of their obligations or exercise of their powers under this Agreement.

10.3 Client's indemnity

- a) To the extent that a Claim or Loss does not arise from ABE's fraud, negligence or willful misconduct, the Client;
 - (i) indemnifies ABE and its Sub-custodians against any Claim or Loss which ABE or its Sub-custodians pays, suffers, incurs or is liable for in connection with:
 - A) the performance (or non-performance as the case may be) by ABE or by any Sub-custodian of the Services;
 - B) a failure by the Client to perform its obligations under this Agreement;
 - C) receiving funds upon the redemption or sale of any Securities held by ABE or any of its Sub-custodians as custodian or agent for the Client or the payment or application of those proceeds to the Client;
 - D) receiving funds upon the payment of interest or coupons

relating to any Securities held by ABE or any of its Sub-custodians as custodian or agent for the Client or the payment or application of those proceeds to the Client;

E) any entity appointed by ABE as a Sub-custodian in respect of Securities claiming the recovery of any amount from ABE or its Sub-custodians under the arrangements with that entity in connection with:

- (1) the redemption of those Securities;
- (2) receiving interest or coupons relating to those Securities; and
- (3) payment of the proceeds, interest or coupons to the Client; and

(ii) will pay the same on receipt of a written demand from ABE.

- b) ABE holds the indemnity in respect of its Sub-custodians on trust for the relevant Sub-custodian.
- c) No act or omission of ABE or its Sub-custodians will constitute fraud, negligence or willful misconduct for the purposes of this clause to the extent to which the act or omission was caused by contributed to by the Client or its employees, servants or agents.

11 Access to information

11.1 Maintenance of Records

- a) ABE will, and will cause its Sub-custodians to, maintain proper and accurate records of:
 - (i) the Client's Assets held by ABE or its Sub-custodians;
 - (ii) all Distributions and income received in respect of the Client's Assets;

(iii) any acquisition or disposal of the Client's Assets and the amount paid or received for each acquisition or disposal; and

(iv) all transactions in the Bank Account or Bank Accounts held by ABE for the Client.

b) Records will be maintained by ABE in accordance with its internal records maintenance policy, as amended from time to time.

11.2 Audit by the Client

ABE will, upon the written request of the Client and at the Client's expense:

- a) allow the Client and its auditors reasonable access during business hours to the Records and internal accounting procedures and controls of ABE for normal audit purposes;
- b) give reasonable assistance to the auditors of the Client to enable them to perform their functions; and
- c) procure that similar access is made available by its Sub-custodians.

12 Fees and expenses

12.1 Fees

- a) No separate fees and expenses are currently payable by the Client to ABE for the Services.
- b) ABE reserves the right at any time to impose fees and recover expenses for the Services. If fees and expense recovery are to be imposed on the Client:
 - (i) ABE shall give the Client 60 days' prior written Notice before the fees and expenses apply; and
 - (ii) ABE shall specify the level of fees and expenses which are to apply and the period and procedures for billing those fees and expenses;

and
(iii) clauses 12.2 to 12.6 shall thereafter apply.

- c) If the Client does not wish to incur any fees and expenses so imposed, then the Client shall terminate this Agreement before the end of the above 60 days' prior Notice period and clauses 14.1 to 14.6 shall then apply.

12.2 Payment of Fees

- a) The Client will pay to ABE the Fees for the Services.
- b) The Fees will be payable by the Client to ABE monthly in arrears within 14 days after the end of each calendar month.

12.3 Interest on Fees

- a) In the event that the Client does not pay the Fees to ABE within the timeframe set out under clause 12.2(b), ABE may require the Client to pay interest on each amount that has not been paid when due from (and including) the day on which it falls due to (but excluding) the day on which it is paid in full. This interest must be paid on demand.
- b) Interest on any unpaid amount will accrue each day at a rate determined by ABE, and is to be capitalised (if not paid) every seven days.

12.4 Direct debit

The Client acknowledges and agrees that, where requested by ABE in writing, the Fees may be paid by ABE direct debiting the Bank Account.

12.5 Expenses and outlays

Expenses and outlays incurred by ABE in connection with the performance of the Services under this Agreement do not form part of the Fees and will be recovered from the Client at cost in respect of amounts:

- a) not exceeding \$1,000 in any one payment, which the Client acknowledges and agrees to ABE recovering by direct debiting the Bank Account (except the Retail CTA) without the express authority of the Client for each such payment; and
- b) exceeding \$1,000 in any one payment:
- (i) ABE will (if required to do so) issue a valid tax invoice in relation to such expenses and outlays within 7 days after the end of the month to which the expenses and outlays relate; and
- (ii) the Client will pay amounts specified in such invoices within 30 days of the receipt of the invoice

12.6 Information about expenses and outlays

ABE must, upon request, provide to the Client information concerning the then current Fees, expenses and outlays incurred by ABE in connection with the performance of the Services.

12.7 GST

- a) Terms defined in the GST Law have the same meaning in this clause 12.7.
- b) The consideration for any supply under or in connection with this Agreement does not include GST.
- c) To the extent that any supply made under or in connection with this Agreement is a taxable supply, the consideration otherwise provided for that supply is increased by an amount determined by the amount of that GST and the recipient must make payment of the increase as and when the consideration otherwise provided for, or relevant part of it, must be paid or provided or, if the consideration has already been paid or provided, within 7 days of receiving a written demand from the supplier.
- d) The amount so determined will be paid

by the recipient of the supply even if the recipient disputes the determination.

- e) If an adjustment event occurs in relation to a supply which results in the amount of GST on a supply being different from the amount in respect of GST already recovered by the supplier, as appropriate, the supplier within 14 days of becoming aware of the adjustment note:
 - (i) may recover from the recipient the amount by which the amount of GST on the supply exceeds the amount already recovered by giving 7 days' written Notice; or
 - (ii) must refund to the recipient the amount by which the amount already recovered exceeds the amount of GST on the supply to the extent that the supplier is entitled to a refund or credit from the Commissioner of Taxation; and
 - (iii) must issue an adjustment note or tax invoice reflecting the adjustment event in relation to the supply to the recipient within 28 days of the adjustment event.
- f) The right of the supplier to recover any amount in respect of GST under this Agreement on a supply is subject to the issuing of a tax invoice or adjustment note to the recipient.
- g) Costs actually or estimated to be incurred or revenue actually or estimated to be lost by a party that is required to be reimbursed or indemnified by another party, or used as the basis for calculation of consideration for a supply, under this Agreement must exclude the amount of GST referable to the cost to the extent to which an entitlement arises or would arise to claim an input tax credit and any amount in respect of GST referable to the revenue.

13 Termination

13.1 Termination

- a) This Agreement will commence on the Effective Date and will continue to have effect until terminated in accordance with clauses 13.1(b) or (c).
- b) Either party may terminate this Agreement by 60 days' prior written Notice to the other party.
- c) Notwithstanding clause 13.1(a) and b), this Agreement will terminate:
 - (i) immediately upon Notice from the Client to ABE,
 - A) if ABE or any of its officers, employees, Related Entities, contractors or agents is knowingly involved in any fraudulent conduct in respect of the Client's Assets or the performance of the Services; or
 - B) if ABE's AFSL is suspended or cancelled at any time in accordance with Subdivision C, Division 4 of Part 7.6 of the Corporations Act;
 - (ii) immediately upon Notice from a party following an Event of Default; or
 - (iii) immediately upon Notice from the Client in accordance with clause 3.13(b).
 - (iv) immediately upon Notice from the Client that it does not accept a variation in accordance with Clause 20.3.

13.2 Survival of Obligations

- a) Any termination of this Agreement under clause 13.1 will be without prejudice to any rights that either party may have against the other under this Agreement or otherwise.
- b) Clauses 9, 10, 17 and 13.2 remain in

full force and effect and survive termination of this Agreement.

System, the securities will be transferred to the account of any successor custodian in that Securities System.

14 Action on termination

14.1 Client

On termination of this Agreement the Client will:

- a) use all reasonable endeavours to promptly arrange for alternative custody arrangements for the Client's Assets; and
- b) co-operate fully, and ensure its Successor co-operates fully, with ABE and its Sub-custodian in implementing the prompt transfer of the Client's Assets, within the Transfer Period.

14.2 ABE

On termination of this Agreement ABE will, or will take reasonable measures to have its Agent:

- a) within a reasonable time specified by the Client, deliver the Client's Assets in accordance with:
 - (i) Proper Instructions; or
 - (ii) if no such Proper Instructions are received within a reasonable time, in accordance with the Client's instructions; and
- b) co-operate fully with the Client and the Successor in implementing the prompt transfer of the Client's Assets within the Transfer Period.

14.3 Transfer of securities on termination

All Securities to be delivered in accordance with clause 14.2:

- a) will be duly endorsed and in the form for transfer; and
- b) if Securities are held in a Securities

14.4 Transfer Period

During the Transfer Period ABE will, or will take reasonable measures to have its Agents, if requested by the Client and it is practicable to do so, provide all or part of the Services for the Client's Assets in accordance with this Agreement.

14.5 Fees and expenses and outlays

- a) Upon termination of this Agreement the Client will pay to ABE upon demand, all Fees and expenses and outlays as may be due as of the date of such termination.
- b) The Client will pay to ABE on demand:
 - (i) an amount which is equivalent to the Fees and expenses and outlays which would have accrued if this Agreement had not been terminated to compensate ABE or its Agent for the provision of the Services during the Transfer Period; and
 - (ii) all costs, expenses and disbursements incurred by the ABE or its Agent in transferring the Client's Assets under clause 14.2.

14.6 Failure to transfer

- a) If the Client's Assets remain in the possession of ABE or its Agents after the Transfer Period, ABE will be entitled to be paid on demand an amount which is equivalent to the Fees and expenses and outlays, for the provision of the Services for such period as ABE remains in the possession of such Client's Assets and continues to provide the Services.
- b) The provisions of this Agreement relating to the duties and obligations of ABE will remain in full force and effect during that time.

- c) Where Client's Assets remain in the possession of ABE after the Transfer Period ABE or its Agent may, in its discretion, and subject to the relevant law, apply to any Court in respect of any matter concerning the Client's Assets, including without limitation directions or orders as to who should continue to hold (or may receive a transfer of) the Client's Assets after the Transfer Period, and ABE shall be entitled to be reimbursed out of the Client's Assets for the costs of any such application (subject to the terms of any order made by the Court).

15 Representation and warranties

15.1 Representations and warranties

Each party represents and warrants to the other that:

- a) it has the power to enter into and perform its obligations under this Agreement, and has duly executed this Agreement so as to constitute valid and binding obligations of it; and
- b) it has the power pursuant to its constitution and any applicable laws and regulations to enter into this Agreement and carry out its obligations.

15.2 Custodian Representations and warranties

ABE represents and warrants that:

- a) this Agreement is valid and binding on ABE;
- b) the entry into and performance of this Agreement by ABE does not constitute:
 - (i) a breach of any obligations (including but not limited to any statutory, contractual or fiduciary obligations); or

- (ii) default under any agreement or undertaking by which ABE is bound;

c) it:

- (i) holds an AFSL authorising it to provide Services;
- (ii) has the power to enter into and perform this Agreement and has obtained all necessary consents to enable it to do so;
- (iii) holds and will continue to hold such licences, consents, approvals and authorities as are necessary to lawfully perform its obligations under this Agreement;
- (iv) will at all times have full disaster recovery procedures and back-up facilities in place in respect of the records and information it maintains in relation to the Client and Client's Assets under this Agreement and will test these procedures regularly; and
- (v) or its Sub-custodians have the necessary capacity to perform the core administrative activities in relation to Services, including (without limitation):
 - A) computer systems which are secure and capable of handling the record keeping and transaction processing for the Client's Assets and the capacity to separately identify the Client's Assets;
 - B) procedures in place for accurately recording all the Client's Assets and all movements of the Client's Assets;
 - C) access to information sources which may be relevant to corporate actions and proxy voting, or for pricing information;
 - D) access to and if necessary membership of depositories relevant to the Client's Assets;

- E) access to and if necessary membership of relevant settlement and clearance systems; and
 - F) access to relevant domestic or global sub- custodial networks.
- d) ABE will as soon as reasonably practicable inform the Client if any of the statements in clause 15.2(c) cease to be true and correct as of any date after the date of this Agreement.

15.3 Client's representations and warranties

- a) The Client represents and warrants to ABE that:
- (i) where the client is a corporation, it is properly incorporated under the Corporations Act;
 - (ii) it:
 - A) has the power to enter into and perform its obligations under this Agreement; and
 - B) has duly executed this Agreement so as to constitute valid and binding obligations of the Client;
 - (iii) the entry into and performance of this Agreement by the Client does not constitute:
 - A) a breach of any obligations (including but not limited to any statutory, contractual or fiduciary obligations); or
 - B) default under any agreement or undertaking,
 by which the Client is bound;
 - (iv) it holds such licences and authorities as are necessary to lawfully perform its obligations under this Agreement;
 - (v) it has duly executed this Agreement

in its capacity as Client and, where the Client is a trustee, trustee of each trust and for the benefit of the beneficiaries of each trust;

- (vi) where the Client is a trustee, it is the only trustee of each trust and no action has been taken or is proposed to its knowledge to be taken, to prevent it becoming or remove it as the trustee of the trust;
- (vii) where the Client is a trustee, it has the right to be fully indemnified out of the relevant trust's assets in respect of all obligations and liabilities which it incurs under this Agreement in the proper performance of its duties in its capacity as the trustee of the relevant trust.

- b) The Client will immediately inform ABE if any of the statements in clause 15.3(a) cease to be true and correct as of any date after the date of this Agreement.

16 Settlement of disputes

16.1 Meeting to resolve

- a) If a dispute arises out of or in connection with this Agreement at any time then either party may give the other a written Notice identifying the particulars of the dispute and representatives of the parties must, within 10 Business Days, meet to resolve the dispute.
- b) Each party will continue to perform their obligations under this Agreement while the dispute is resolved.

16.2 Mediation notice

After the expiration of 10 Business Days from the issue of the written Notice identifying the particulars of the dispute, if the parties have been unable to resolve the dispute, any party may notify the other parties by written Notice (Mediation Notice) that it requires the dispute to be referred to

mediation.

16.3 Mediation

- a) If a party serves a Mediation Notice on another party, then the party may require the other party to attend mediation to attempt to settle the dispute, with a mediator chosen by both of them.
- b) If they cannot agree on the identity of the mediator or the location and date and time of the mediation, then the mediator and the location and date and time of the mediation will be as nominated by the President for the time being of the Australian Bar Association or equivalent organisation.
- c) The mediation will be conducted in accordance with the mediation principles determined by the mediator.
- d) The mediation will be conducted as a mediation, not an arbitration, such that any resolution to the dispute must be reached with the agreement of the parties to the dispute.

16.4 Cost

The cost of the mediator and the mediation (apart from each party's legal costs) will be borne equally between the parties. Each party is to bear their own legal costs.

16.5 Legal proceedings

A party may not institute legal proceedings (apart from injunctive relief where required) without attempting to resolve the dispute in accordance with this clause 16.

17 Confidentiality and privacy

17.1 Confidentiality of ABE

ABE agrees to take reasonable steps to keep all Confidential Information secure and to hold all Confidential Information in strict

confidence and not disclose, or cause or permit the disclosure of the Confidential Information, except:

- a) to representatives of ABE or its Agents who need to have access to the Confidential Information for the purposes of providing the Services and the other services provided by ABE to the Client;
- b) to third parties appointed by ABE for the purpose of providing the Services and with whom ABE has entered into a confidentiality agreement which protects the confidentiality of the Confidential Information;
- c) as permitted under this Agreement;
- d) as required by any securities exchange on which any of the Securities are listed;
- e) in enforcing this Agreement, in a proceeding arising out of or in connection with this Agreement or to the extent that disclosure is regarded by ABE or its Sub-custodians as necessary to protect their interests;
- f) if required under an order of a Government Agency or any procedure for discovery in any proceedings;
- g) if required under any law or any administrative guidelines, directive, request or policy whether or not having force of law and, if not having the force of law, with which responsible Custodians similarly situated would normally comply; or
- h) with the prior written consent of the Client.

17.2 Personal information about someone else

- a) If the Client gives ABE personal information about someone else or directs someone else to give their personal information to ABE, the Client will tell that person that:

- (i) ABE is holding personal information about that person;
 - (ii) personal information collected about that person will be used for the primary purpose of ABE providing the product or service contemplated by this Agreement;
 - (iii) the person can access their information at any time by contacting ABE. ABE may charge a reasonable fee for access; and
 - (iv) if the person can show that information about the person is not accurate, complete and up to date, ABE will take reasonable steps to ensure it is accurate, complete and up to date.
- b) ABE may give that person's information to any contractor or service provider ABE engages to provide services connected with the Client's relationship with ABE.

17.3 Breach of confidentiality

ABE acknowledges that a breach of clause 17.1 or the National Privacy Principles may lead to ABE reimbursing the Client for any Claim in accordance with clause 9.

18 Tax matters

18.1 Obligations of ABE

The only obligation of ABE with regard to the tax law of any jurisdiction is to use reasonable efforts to assist the Client with respect of any claims for exemption or refund under the tax law or the jurisdictions for which the Client has provided the information required by clause 18.1(b).

18.2 Liability for Taxes

In no circumstances shall ABE be personally liable for any Tax imposed upon the Client in respect of the Client's Assets or any income or gains on the Client's Assets and the Client agrees to reimburse and indemnify ABE for all such Tax imposed on ABE or its

Sub-custodians (but excluding any income taxes assessable in respect of fees paid to ABE or its Sub-custodians pursuant to this Agreement or any other document), including, without limitation, additions for late payment, interest, penalties and other expenses (including legal fees on a full indemnity basis) that may be assessed against the Client.

19 Notices

19.1 Delivery

Notices must be:

- a) left at the address shown in this Agreement for each party or sent by prepaid ordinary post (airmail if appropriate) to such address;
- b) sent by email to the email address of each party; or
- c) given in any other way permitted by law and agreed to in writing between the Client and ABE.

However, if the intended recipient has notified a changed postal or email address, then the communication must be to that address.

19.2 When effective

Notices take effect from the time they are received (as set out in clauses 19.3 to 19.7 unless a later time is specified).

19.3 Receipt – post

If sent by post, Notices are taken to be received 3 days after posting (or 7 days after posting if sent to or from a place outside Australia).

19.4 Receipt and indemnity – email

- a) If sent by email, Notices are taken to be received when the recipient's email system logs the email message as having been received.

- b) If the Client requests ABE to accept a Notice, request or instruction transmitted by email (an “email instruction”):
- (i) the Client must comply with the security procedure or measure agreed between the Client and ABE (if any);
 - (ii) ABE may accept or reject an email instruction at its discretion;
 - (iii) if ABE accepts an email instruction that purports to have been transmitted or authorised by the Client and appears to be in compliance with the security procedure or measure as agreed between the Client and ABE (if any):
 - (iv) ABE may rely on that email instruction without making any enquiries;
 - (v) the email instruction will be deemed effective as the Client’s Notice, request or instruction; and
 - (vi) Notwithstanding the above, in the event that an email instruction is provided, the Client sending the email instruction must have an Authorised Person available to discuss such instructions following the delivery of the email instruction. If the Authorised Person is not available to discuss and confirm the email instruction after reasonable attempts by ABE, ABE may, in its absolute and complete discretion, treat the email instruction as invalid.

19.5 Receipt by Electronic Transmission Service

If sent by Electronic Transmission Service, Notices are taken to be received when dispatched, but only if, at the time of transmission, the correct answerback appears at the start and at the end of the sender’s copy of the Notice.

19.6 Receipt – general

Unless expressly stated otherwise in this

Agreement, despite clauses 19.3 (“Receipt – post”), 19.4 (“Receipt and indemnity – email”) and 19.6 (“Receipt by Electronic Transmission Service”), if Notices are received after 4.00pm in the place of receipt or on a non-Business Day, they are to be taken to be received at 9.00am on the next Business Day.

20 General

20.1 Assignment

A party may not assign its rights or obligations under this Agreement without the prior consent of the other party, such consent not to be unreasonably withheld or delayed.

20.2 Waivers

- a) Waiver of any right, power, authority, discretion or remedy arising upon a breach of or default under this Agreement must be in writing and signed by the party granting the waiver.
- b) A failure or delay in exercise, or partial exercise, of a right, power, authority, discretion or remedy arising from a breach of or default under this Agreement, does not result in a waiver of that right, power, authority, discretion or remedy.
- c) A party is not entitled to rely on a delay in the exercise or non-exercise of a right, power, authority, discretion or remedy arising from a breach of this Agreement or default under this Agreement as constituting a waiver of that right, power, authority, discretion or remedy.
- d) A party may not rely on any conduct of another party as a defence to exercise of a right, power, authority, discretion or remedy by that other party.
- e) This clause may not itself be waived except in writing.

20.3 Variation

ABE may from time to time vary this Agreement, giving Notice of the specific changes. Continued use of the Services is an acceptance of the variations notified.

20.4 Continuing indemnities and survival of indemnities

Each indemnity contained in this Agreement

- a) is a continuing obligation despite any settlement of account or the occurrence of any other thing, and remains in full force and effect until all money owing, contingently or otherwise, under any indemnity has been paid in full;
- b) is an additional, separate and independent obligation of the person giving it and no one indemnity limits the generality of any other indemnity;
- c) survives the termination of this Agreement; and
- d) is not subject to any reduction, termination or other impairment by any set-off, deduction, counter claim, agreement, defense, suspension, deferment or any other any circumstance, act or omission which, but for this sub-clause, might otherwise operate to relieve it from any of its obligations under the indemnities at law

or in equity.

20.5 Entire Agreement

This Agreement:

- a) constitutes the complete and exclusive agreement of the parties with regard to its subject matter; and
- b) supersedes and terminates as of the date of this Agreement all prior agreements or understandings, oral or written, between the parties in relation to custodianship of the Client's Assets.

20.6 Attorneys

Each person who executes this Agreement on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

20.7 Choice of Law and Jurisdiction

- a) This Agreement shall be construed and interpreted according to the laws of New South Wales and the Commonwealth of Australia.
- b) The parties submit to the non-exclusive jurisdiction of the courts of that State and the Commonwealth of Australia, including any appellate courts thereof.

Important Information

Australian Bond Exchange Pty Limited ('ABE') provides financial product advice only. As a result, this document, and any information or advice, has been provided by ABE without taking account of your objectives, financial situation and needs. Because of this, you should, before acting on any advice from ABE, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If this document, or any advice, relates to the acquisition, or possible acquisition, of a particular financial product, you should obtain a product disclosure statement relating to the product and consider the statement before making any decision about whether to acquire the product. Neither ABE, nor any of its directors, authorised representatives, employees, or agents, makes any representation or warranty as to the reliability, accuracy, or completeness, of this document or any advice. Nor do they accept any liability or responsibility arising in any way (including negligence) for errors in, or omissions from, this document or advice. ABE, its staff and related parties earn fees and revenue from dealing in the securities as principal or otherwise and may have an interest in any securities mentioned in this document. Any reference to credit ratings of companies, entities or financial products must only be relied upon by a 'wholesale client' as that term is defined in section 761G of the Corporations Act 2001 (Cth). ABE strongly recommends that you seek independent accounting, financial, taxation, and legal advice, tailored to your specific objectives, financial situation or needs, prior to making any investment decision. ABE does not make a market in the securities or products that may be referred to in this document. A copy of ABE's current Financial Services Guide is available at www.bondexchange.com.au/fsg.

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