

## 1. Definitions

In these Terms and Conditions:

**Accolade Plus Agreement** means the agreement of which these Terms and Conditions form a part.

**Application Form** means the application form which accompanies these Terms and Conditions and forms part of the Accolade Plus Agreement.

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

**ASIC Corporations (Managed Discretionary Account Services) Instrument 2016/968** means the legislative instrument in relation to managed discretionary account services issued by ASIC as amended or superseded from time to time as directed by ASIC. A reference to this instrument includes a reference to any later instrument made by ASIC which substantially replaces or supersedes this instrument.

**ASIC Market Integrity Rules** means the ASIC Market Integrity Rules (Securities Markets) 2017 as amended from time to time.

**ASX** means ASX Limited ACN 008 624 691.

**Business Day** is a day other than:

- (a) A Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day; and
- (b) Any other day in respect of which the ASX has declared and has published a notice to the effect that ASX is not open for trading.

**Canaccord Genuity** means Canaccord Genuity Financial Limited ACN 088 896 311.

**Canaccord Genuity Clearing Participant** means FinClear Services Pty Ltd which is licensed under the Corporations Act Australian Financial Services License (AFSL) no 338 264 to provide financial services and is a trading participant of ASX, a Participant of Cboe Australia, a general Participant of ASX Clear Pty Ltd ABN 48 001 314 503 (ASX Clear) and a Settlement Participant of ASX Settlement Pty Ltd ABN 49 008 504 532 (ASX Settlement).

**Cash Management Account** means an account established in your name in a cash management trust or with an approved deposit-taking institution which Canaccord Genuity notifies you comprises part of the Investment Portfolio.

**CHESS** means Clearing House Electronic Subregister System.

**Cboe Australia** means the financial market operated by Cboe Australia under Australian Market Licence (Cboe Australia Pty Limited) 2011.

**Corporations Act** means the Corporations Act 2001 (Cth) (including the relevant regulations, ASIC instruments and other legislative instruments).

**Fee Schedule** means the fee schedule set out in the Investment Program as amended from time to time in accordance with clause 12.

**GST** means goods and services tax or similar value added tax levied or imposed in Australia pursuant to the GST law or otherwise on a supply.

**GST Law** means A New Tax System (Goods and Services Tax) Act 1999 (Cth) and A New Tax System (Goods and Services Tax) Transition Act 1999 and related tax imposition Acts of the Commonwealth of Australia.

**Investment Portfolio** means the investments held in your name which Canaccord Genuity accepts will be subject to these Terms and Conditions, together with all monies from time to time standing to the credit of the Cash Management Account or to the credit of any other equities account you maintain with Canaccord Genuity.

**Investment Program** means any investment program required under the ASIC Corporations (Managed Discretionary Account Services) Instrument 2016/968 to be prepared and provided to you by Canaccord Genuity as updated from time to time in the manner required by the ASIC Corporations (Managed Discretionary Account Services) Instrument 2016/968.

**NSX** means the financial market operated by NSXA under Australian Market Licence (National Stock Exchange of Australia Limited) 2002.

**Non-Portfolio Assets** means your assets or investments that do not form part of the Investment Portfolio, but which you request Canaccord Genuity to include in the reports provided to you, such as real property, life insurance policies, loans or collectibles.

**Ongoing Adviser Remuneration** means the remuneration that the Client's financial adviser receives for providing the Client with advice.

**Power of Attorney** means the Accolade Plus Service Power of Attorney which accompanies these Terms and Conditions and forms part of the Accolade Plus Agreement.

**Security Rights** means rights in relation to the securities of any corporation or body which form part of the investments in your Investment Portfolio including but not limited to the following rights and benefits which may attach to the relevant securities from time to time:

- (a) Dividend reinvestment plans;
- (b) Share purchase plans;
- (c) Takeover offers; and
- (d) Priority entitlements.

**Services** means the discretionary management services described in clause 3.

## 2. Interpretation

In these Terms and Conditions headings are for ease of reference only and do not affect interpretation and, except where the context otherwise requires:

- (a) The singular includes the plural and vice versa, and a gender includes other genders;
- (b) Another grammatical form of a defined word or expression has a corresponding meaning;
- (c) A reference to a clause or schedule is to a clause or schedule of or to these Terms and Conditions, and a reference to these Terms and Conditions includes any schedule;
- (d) A reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) A reference to A\$, \$A, dollar or \$ is to Australian currency;
- (f) A reference to time is to Perth, Western Australia, time;
- (g) A reference to a party is to a party to these Terms and Conditions, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (h) A reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (i) A reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (j) A word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (k) The meaning of general words is not limited by specific examples introduced by including, for example or similar expressions;
- (l) Any agreement, representation, warranty or indemnity by two or more parties (including where two or more persons are included in the same defined term) binds them jointly and severally;
- (m) Any agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally; and
- (n) If a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day.

## 3. Services

Subject to the provisions of clause 4, Canaccord Genuity will manage the Investment Portfolio for you on a discretionary basis.

Accordingly, subject to any instructions that you may give Canaccord Genuity, Canaccord Genuity will have full authority at its discretion, without prior reference to yourself, to enter into transactions for your account in or relating to investments of the following types:

- (a) Securities, derivatives or debentures of an Australian listed body corporate or Australian listed foreign body corporate or securities listed on an approved foreign market;
- (b) Deposits at interest with any cash management trust, or with any bank licensed by the Reserve Bank of Australia;
- (c) Bills of exchange, promissory notes or orders for the payment of money endorsed by any bank licensed by the Reserve Bank of Australia;

- (d) Government bonds issued by the Commonwealth Government or by an Australian State Government or semi-government authority;
- (e) Units in a registered managed investment scheme; and
- (f) Any other or additional investments or classes of investments specified or approved by you in writing from time to time and in accordance with the ASIC Corporations (Managed Discretionary Account Services) Instrument 2016/968 and in accordance with the Investment Program.
- (g) Canaccord Genuity may also provide other services if agreed between you and Canaccord Genuity.

#### 4. Investment Program

- (a) Your Investment Portfolio will be managed by Canaccord Genuity in accordance with the Investment Program.
- (b) The Investment Program forms part of the Accolade Plus Agreement.

#### 5. Transaction capacity

In the course of providing the Services, Canaccord Genuity may enter into transactions with you as a principal and, in respect of those transactions, Canaccord Genuity will not act on your behalf as agent or, for any purposes, be taken to have acted as agent on your behalf. Canaccord Genuity will nevertheless continue to be subject to the Operating Rules of ASX and the ASIC Market Integrity Rules. If Canaccord Genuity acts as a principal, this will be disclosed on the confirmation.

#### 6. Specific authority - voting and security rights

- (a) You irrevocably appoint Canaccord Genuity as your agent to exercise or refrain from exercising all voting rights conferred by any investment in your Investment Portfolio in such a manner as Canaccord Genuity may determine as being in your interests and you irrevocably authorise Canaccord Genuity, at its expense, to execute and deliver such proxies as may be required to effect the exercise of such voting rights.
- (b) You also irrevocably appoint Canaccord Genuity as your agent to exercise any Security Rights applicable to your investments in your Investment Portfolio.

#### 7. Investment performance

Canaccord Genuity does not guarantee nor make any representation concerning the repayment of capital or performance of your Investment Portfolio.

#### 8. Canaccord Genuity's obligations

Canaccord Genuity must:

- (a) Act honestly in performing the Services;
- (b) Exercise the degree of care and diligence that a reasonable person would exercise if he or she were in Canaccord Genuity's position in providing the Services to the Client;
- (c) Act in the best interests of the Client in providing the Services to the Client and, subject to the provisions of clause 5, if there is a conflict between the interests of the Client and its own interests in providing the Services to the Client, give priority to the Client's interests;
- (d) Not use information Canaccord Genuity has gained through providing Services to the Client to gain an improper advantage for itself or any other person or to cause detriment to the Client;
- (e) Comply with:
  - (i) the conditions of the ASIC Corporations (Managed Discretionary Account Services) Instrument 2016/968 (including any amendments thereto);
  - (ii) the Investment Program unless otherwise agreed in writing by the Client; and
  - (iii) any representation about how it will provide Services included in a Financial Services Guide given by it to the Client for the Services unless otherwise agreed in writing by the Client; and
- (f) Compensate the Client for any loss because of any act or omission of any agent or other person engaged in connection with the Services, other than an external custodian or a person acting on their behalf (if applicable), as if the acts or omissions were acts or omissions of Canaccord Genuity.

#### 9. Non-Portfolio Assets

- (a) You may request that Canaccord Genuity maintain records of Non-Portfolio Assets for inclusion in the reports provided to you. Canaccord Genuity will not charge additional fees for this service.
- (b) You acknowledge that Canaccord Genuity:
  - (i) is not obliged to (and will not) manage the Non-Portfolio Assets; and
  - (ii) does not make any representation as to, and accepts no responsibility for, the existence, quantity or value of the Non-Portfolio Assets and will rely solely on information provided by you regarding the quantity, value and change in value of the Non-Portfolio Assets.
- (c) You acknowledge that Canaccord Genuity will not accept control or physical custody of Non-Portfolio Assets.

#### 10. Your Investment Objectives

- (a) Canaccord Genuity will provide the Services on the basis of your completed Application Form and Investment Program.
- (b) If you do not inform Canaccord Genuity of any investments or types of investments which you do not wish Canaccord Genuity to purchase or sell for you or which you are not permitted to purchase or sell as a result of any law, regulation or contractual obligation, Canaccord Genuity may purchase or sell for you any investment which falls within any of the categories described in clause 3.
- (c) You agree and acknowledge that Canaccord Genuity:
  - (i) is relying on the ongoing accuracy and completeness of information provided by you as to your personal circumstances;
  - (ii) accepts no liability for any action taken or omission by Canaccord Genuity under the Accolade Plus Agreement if, and to the extent that, Canaccord Genuity's action or omission has been caused, contributed to or influenced by incomplete or inaccurate information provided by you regarding your personal circumstances.

#### 11. Reports

Canaccord Genuity will prepare and forward to you a quarterly report made up to 30 September, 31 December, 31 March and 30 June in each year setting out:

- (a) The particulars of and value of the transactions in securities executed on your behalf during the reporting period;
- (b) The particulars of and value of the assets within your Investment Portfolio at the beginning and the end of each reporting period;
- (c) The particulars of and total value of liabilities that were incurred on your account during the reporting period;
- (d) Separately, the brokerage or commission and the fees charged by us, if any, for managing your Investment Portfolio during the reporting period;
- (e) The revenue and expenses that were incurred on your account during the reporting period; and
- (f) Any other reports required by the ASIC Corporations (Managed Discretionary Account Services) Instrument 2016/968.

#### 12. Fees and Charges

- (a) You will pay Canaccord Genuity:
  - (i) fees for the Services in accordance with the Fee Schedule, subject to a minimum annual fee payable of \$3,300 inclusive of GST (minimum fee);
  - (ii) all costs, charges and expenses properly payable in connection with the management of your Investment Portfolio or the acquisition disposal or maintenance of the Investment Portfolio; and
  - (iii) in the event of termination of this Agreement in accordance with clause 26, the minimum fee will be reduced so that the minimum fee payable is apportioned only over the number of days of that year in which the Agreement was in force.
- (b) The fees are based on the total market value of your Investment Portfolio and are payable monthly in arrears.
- (c) Canaccord Genuity will provide you with at least 30 days notice of any amendment to the Fee Schedule. You will be bound by any such amendment if Canaccord Genuity continues to provide the Services after the amendment becomes effective.

- (d) Subject to any provisions of the Accolade Plus Agreement to the contrary, you will pay or reimburse Canaccord Genuity for all other expenses and costs incurred by Canaccord Genuity in connection with the performance of the Services including any taxes, duties and imposts if and when they occur.
- (e) Any fees and charges due to us (or agents used by us) may be deducted from any funds held or managed by us on your behalf or, at Canaccord Genuity's discretion, shall be paid by you as stated in the relevant confirmation (contract note). Canaccord Genuity may also deduct these fees and charges from the proceeds of the sale of your investments in accordance with clauses 19 and 20.
- (f) Where permitted by law, Canaccord Genuity may receive remuneration from or share fees or charges with Canaccord Genuity's associated companies or other third parties. GST is payable on fees and charges under the Accolade Plus Agreement.
- (g) Ongoing Adviser Remuneration means the remuneration that the Client's financial adviser receives for providing the Client with advice.
- (h) Unless otherwise specified, the fees and charges in the Fee Schedule are stated inclusive of GST.

## Fee Schedule

Portfolio value	Accolade Plus	
	Rate per annum	Flat Brokerage Option
Up to \$499,999 then	1.925%	
from \$500,000 to \$999,999	1.320%	
from \$1,000,000 to \$4,999,999	0.990%	
\$5,000,000 or more	0.550%	
Portfolio value – flat brokerage option		up to 2.75% pa
Subject to a minimum fee per account of	\$3,300	\$3,300
Brokerage charged per transaction	Yes <sup>1</sup>	\$110

1. The brokerage rate will be agreed between you and your adviser on the basis set out in the Brokerage section above.  
Subject to the minimum fee, the cost will be determined by reference to factors such as the size of the portfolio, number of holdings and anticipated number of transactions.

## Example of annual fees and costs for an Accolade Plus portfolio with a balance of \$1.5m

	Your Account	RRP	Incl. GST	Fees (inc GST)
First \$500,000	\$500,000	1.75%	1.925%	\$9,625
\$500,000 to \$1,000,000	\$500,000	1.20%	1.320%	\$6,600
\$1,000,000 to \$5,000,000	\$500,000	0.90%	0.990%	\$4,950
\$5,000,000+	\$0	0.50%	0.550%	\$0
<b>Total</b>	<b>\$1,500,000</b>			<b>\$21,175</b>

\* Please note, as your portfolio value increases, the above annual fee will increase in line with the fee scale above.

\* A minimum fee of \$3,300 inclusive of GST applies.

\* If you terminate your Accolade Plus account (by giving written notice of not more than 2 business days), payment of fees will be calculated to the termination date.

## 13. Conflicts of Interest

- (a) When Canaccord Genuity recommends or effects a transaction, Canaccord Genuity, an associated company or some other person connected with Canaccord Genuity, may have received or may receive a commission or fee (other than from you) or any other benefit or advantage in relation to the transaction concerned or may have an interest which may reasonably be expected to be capable of influencing Canaccord Genuity in making recommendations to you or Canaccord Genuity's investment decisions. Details of any such receipt or interest will be disclosed to you when Canaccord Genuity carries out your transaction.
- (b) When Canaccord Genuity carries out a transaction for you or enters into a transaction for you, Canaccord Genuity or one of its associated companies could be:
  - (i) dealing as principal on its own account by selling the investment concerned to you or buying it from you;
  - (ii) receiving benefits for giving business to the firm with which your order is placed;
  - (iii) matching your transaction with that of another customer by acting on that customer's behalf as well as yours;
  - (iv) buying or selling units in a collective investment scheme where Canaccord Genuity is, or an associated company is, the responsible entity (or an adviser of the responsible entity) of the scheme; or
  - (v) buying investments where Canaccord Genuity is, or an associated company is, involved in a new issue, rights issue, takeover or similar transaction concerning the investment.
- (c) To avoid doubt, this clause does not limit Canaccord Genuity's obligations under the provisions of clause 9.

## 14. Non exclusivity

Canaccord Genuity may from time to time perform similar investment services for other persons. You acknowledge that:

- (a) Canaccord Genuity has no obligation to purchase or sell, or recommend for purchase or sale, for your account, any investment which Canaccord Genuity purchases or sells for its own account or for the account of another customer; and
- (b) Canaccord Genuity may give advice and take action in the performance of its duties for other customers which differs from advice given and action taken in relation to your Investment Portfolio.

## 15. Power of Attorney

In consideration of, among other things, Canaccord Genuity agreeing to enter into the Accolade Plus Agreement with you, you irrevocably appoint Canaccord Genuity as your attorney as set out in the Power of Attorney.

## 16. Custody of your Investments

- (a) All of the shares within your Investment Portfolio must be sponsored by Canaccord Genuity under the CHESSE system.
- (b) All securities purchased through Canaccord Genuity will be registered (except for bearer stocks) in your name and held by Canaccord Genuity. Under the Power of Attorney Canaccord Genuity has power to deal with these securities on your behalf.
- (c) Unless you advise us otherwise, Canaccord Genuity may, at its discretion, reinvest all dividends, interest payments and other rights accruing to you on investments which Canaccord Genuity holds on your behalf.

## 17. Interests in Investments

- (a) You warrant that:
  - (i) You are and remain the beneficial owner of any investment which Canaccord Genuity holds on your behalf;
  - (ii) You will not deal with your investments without first notifying Canaccord Genuity in writing of your proposed dealings; and
  - (iii) Your investments are and will remain free of all encumbrances except where you specifically notify us in writing of such encumbrances.
- (b) Unless Canaccord Genuity receives such notification from you, you agree to release Canaccord Genuity from, and indemnify Canaccord Genuity fully against, any loss or liability incurred by Canaccord Genuity arising out of or in connection with your investments being other than as warranted in this clause.

### 18. Disclosures to Authorities

Canaccord Genuity may disclose information in respect of the identity of its clients and the details of any transaction executed on behalf of its clients as required:

- (a) By any applicable law; or
- (b) By any authority such as ASX, Chi-X Australia, NSX or the Australian Securities and Investments Commission; or
- (c) As agreed by the client to Canaccord Genuity in writing.

### 19. Right to Retain your Funds

- (a) Subject to the Corporations Act and the ASIC Market Integrity Rules, Canaccord Genuity may make a withdrawal or deduction from any moneys Canaccord Genuity is holding or managing for you if:
  - (i) any money paid to Canaccord Genuity by you is not available to us in cleared funds;
  - (ii) the withdrawal or deduction is to make a payment to, or in accordance with your written directions;
  - (iii) the withdrawal or deduction is to defray brokerage or any other proper charge;
  - (iv) the withdrawal or deduction is to make an investment on your behalf pursuant to these Terms and Conditions; or
  - (v) the withdrawal or deduction is to make a payment that is otherwise authorised under the Corporations Act or any other law.
- (b) The provisions of sub-clause (a) do not affect any lawful claim or lien that Canaccord Genuity may have:
  - (i) against or on money held in Canaccord Genuity's trust account; or
  - (ii) before money received for the purchase of securities or from the sale of securities is paid into Canaccord Genuity's trust account, against or on that money.
- (c) If Canaccord Genuity withdraws from its trust account some or all of the amount of a cheque received from you that has been paid into Canaccord Genuity's account and payment of the cheque is later refused, then you must release Canaccord Genuity from, and indemnify Canaccord Genuity fully against, any loss or liability incurred by us arising out of or in connection with the non-payment of your cheque.

### 20. Power of Sale over your Investments

Subject to the requirements of the Corporations Act and the ASIC Market Integrity Rules, Canaccord Genuity reserves the right to sell or retain or exercise a lien over some or all of your investments which are held by us under the Accolade Plus Agreement or otherwise if:

- (a) You default in any payment obligation which you have to us whether under these Terms and Conditions or otherwise;
- (b) The amount of your money available to us in cleared funds at the due date of settlement is insufficient to meet a payment obligation incurred on your behalf; or
- (c) The Accolade Plus Agreement has been terminated and funds are not forthcoming to enable us to settle transactions initiated on your behalf and which have not been completed at the time of such termination.

### 21. Settlement

Canaccord Genuity will settle all transactions on your behalf, subject to Canaccord Genuity holding or receiving all necessary documents or funds, and will normally do so on the usual basis for the market concerned.

### 22. GST

- (a) Words used in this clause 22 which have a defined meaning in the GST Law have the same meaning as in the GST Law unless the context otherwise indicates.
- (b) Any fees and other amounts specified in the Accolade Plus Agreement are inclusive of GST unless otherwise stated.
- (c) To the extent that Canaccord Genuity is required to pay GST on a supply under the Accolade Plus Agreement:
  - (i) you must pay to Canaccord Genuity the amount of GST that Canaccord Genuity is liable to pay; and
  - (ii) Canaccord Genuity must give you a valid tax invoice that states the amount of the GST that you are liable to pay, at the same time that you are obliged to pay for the supply.

### 23. Indemnity

- (a) To the maximum extent permitted by law, you agree to release Canaccord Genuity, its directors, officers, employees and agents (together and severally referred to in this clause and clause 24 as 'Canaccord Genuity') from, and indemnify each of them fully against, any loss or liability incurred by Canaccord Genuity arising out of or in connection with:
  - (i) the Accolade Plus Agreement;
  - (ii) any conduct or omission under the Accolade Plus Agreement;
  - (iii) any orders or instructions given to Canaccord Genuity by you or on your behalf; or
  - (iv) any investment decision made by Canaccord Genuity under the Accolade Plus Agreement, except to the extent that any loss or liability is caused by the gross negligence, fraud, dishonesty or bad faith of Canaccord Genuity.
- (b) The release and indemnity in clause 24(a):
  - (i) includes, without limitation, any liability for legal costs, expenses or charges on a full indemnity basis and for the costs of and liabilities involved in dealing with, negotiating, arbitrating or settling any claim or demand or any examination, investigation, inspection or proceeding; and
  - (ii) is for the benefit personally or each of the persons referred to as Canaccord Genuity, each of whom may enforce it as if they were party to the Accolade Plus Agreement or Canaccord Genuity may enforce it on their behalf.

### 24. Limitation of Liability

- (a) To the maximum extent permitted by law, any liability on the part of Canaccord Genuity for damages for or in respect of any claim arising out of or in connection with the services provided under this Accolade Plus Agreement, any conduct or omission under the Accolade Plus Agreement or any orders or instructions given to Canaccord Genuity by you or on your behalf or on account of any investment decision made by Canaccord Genuity shall not in any event (and whether or not such liability results from or involves negligence) exceed the aggregate amount of fees which Canaccord Genuity has received from you under the Accolade Plus Agreement over the 12 month period preceding the making of the claim.
- (b) The limitation in clause 24(a) is the maximum aggregate amount which you may recover in respect of all claims made against Canaccord Genuity and not for each claim separately if you have more than one claim.

### 25. Changes

- (a) Canaccord Genuity may amend the Accolade Plus Agreement by sending you a written notice describing the relevant changes. Such changes will become effective on a date to be specified in the notice which must be at least two weeks after the notice is sent to you.
- (b) You can amend the Accolade Plus Agreement in the following ways:
  - (i) by changing your investment objectives; or
  - (ii) by imposing new restrictions under clause 3 or by changing or lifting any restrictions which you have previously imposed.
- (c) However, any such amendment which you wish to make in accordance with sub-clause (b) above will only become effective when the Canaccord Genuity employee responsible for handling your account receives a letter from you setting out the amendment concerned.
- (d) No amendment will affect any outstanding order or transaction or any legal rights or obligations which may already have arisen.

### 26. Termination

- (a) You or Canaccord Genuity may terminate the Accolade Plus Agreement by giving a written notice period which is not more than 2 business days.
- (b) The Accolade Plus Agreement will be terminated if ASIC notifies Canaccord Genuity that Canaccord Genuity may not rely on an exemption relating to the Service.



- (c) Subject to clause 26(a), Canaccord Genuity may terminate the Accolade Plus Agreement forthwith, if:
- (i) you breach this Agreement;
  - (ii) you become bankrupt, insolvent or unable to pay your debts as they fall due;
  - (iii) an administrator, administrative receiver or manager or other similar officer is appointed over all or part of your assets; or
  - (iv) execution or distress is levied against any or all of your assets.
- (d) If the Accolade Plus Agreement is terminated:
- (i) you will remain liable to meet all obligations which may accrue under transactions initiated before the date of receipt of the termination notice and which are at that time outstanding;
  - (ii) you will remain liable to pay Canaccord Genuity the amount accrued to the date of termination in respect of the provision of services under the Accolade Plus agreement, and the minimum fee will be reduced so that the minimum fee payable is apportioned only over the number of days of that year in which the Accolade Plus Agreement was in force, plus any costs solely and directly in relation to the termination, such as for effecting the transfer of your Investment Portfolio to a new investment adviser;
  - (iii) the termination will not affect any rights or obligations which may already have arisen;
  - (iv) without limiting paragraph (d)(iii), the release, indemnity and limitation of liability in clauses 23 and 24 survive the termination of the Accolade Plus Agreement; and
  - (v) after giving or receiving a termination notice, Canaccord Genuity from the termination effective date (being the date specified in the notice, or if not specified, the last day of the notice period), will not manage your Investment Portfolio on a discretionary basis but only on your specific instructions.
- (e) Processing your termination notice:
- In line with Canaccord Genuity's policies and procedures, your adviser will forward the termination notice to the Accolade Plus administrator, who will:
- (i) receipt the termination notice to your digital client file;
  - (ii) remove the discretionary demographic from your account;
  - (iii) change the address on the account from C/O Discretionary Accolade to your postal address;
  - (iv) your account will be removed from the Annual Review Timetable; and
  - (v) arrange for final fees to be ducted from your CMT / Bank account
- (f) If you wish to continue as a client of Canaccord Genuity, a new client application form will need to be completed and all your Investment Portfolio will be transferred to this new account.
- (g) If you do not wish to remain a client of Canaccord Genuity and close your account, your Investment Portfolio will be transferred in line with your written instructions.
- (h) If any portfolio assets in your Investment Portfolio are not registered in your name, those assets will be registered in your name.
- (i) Canaccord Genuity have and maintain written policies:
  - (i) establishing the steps that Canaccord Genuity will take to ensure that if the Accolade Plus Agreement is terminated, your portfolio assets will be dealt with in accordance with the requirements referred to in clause 26(d) and 26(e).
  - (ii) that are available to you free of charge on request.

### 27. Governing Law

This agreement is governed by the laws of Western Australia.

### 28. Laws and Regulations

All dealings between you and Canaccord Genuity are subject to the following (without limiting other applicable laws):

- (a) The Corporation Act;
- (b) The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Commonwealth); and
- (c) Any Canaccord Genuity policies and procedures which is relevant to your transactions.

### 29. Notices

- (a) Any notice given under this Accolade Plus Agreement must be in writing and addressed to the party in accordance with the addresses specified in the Accolade Plus Agreement or otherwise provided by a party to the other party.
- (b) A notice is regarded as being given by the sender and received by the addressee:
  - (i) if by delivery in person, when delivered, received or left at the address specified in the Accolade Plus Agreement;
  - (ii) if by post, on the Business Day following posting;
  - (iii) if by facsimile transmission, when legibly received by the addressee, but if the delivery or receipt is on a day which is not a Business Day or is after 4.00pm (addressee's time) it is regarded as received at 9.00am on the following Business Day;
  - (iv) unless the party sending the email knows or reasonably ought to suspect that the email and the attached communication were not delivered to the addressee's domain specified in the email address notified for the purposes of this clause, 24hours after the email was sent; and
  - (v) in the case you have agreed that Canaccord Genuity may give all notices electronically, Canaccord Genuity may do so by emailing the notice to your last known email address.

### 30. Enforceability, prohibition and severance

- (a) Any provision of, or the application of any provision of these Terms and Conditions which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.
- (b) Any provision of, or the application of any provision of, these Terms and Conditions which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

### 31. Allocation Policy

From time to time orders may be placed by your adviser to purchase or sell a specified number of a particular security in respect of more than one account for which your adviser is authorised to place orders. In these cases and on the instructions of your adviser you agree that we will aggregate the order and it will be booked to each clients account at the average price at which all of the trades making up the total quantity of the order have been executed. The intention of the allocation policy is to ensure that all of the accounts on whose behalf your adviser has placed the order are treated equitably.

### 32. Non-limited Recourse Products and Facilities

- (a) Your Investment Program will disclose whether your Investment Portfolio assets may include non-limited recourse products. This depends on the particular investment strategy you have selected for your Investment Program and the particular features of the financial products, it is therefore not possible to disclose in this Accolade Plus Agreement any specific features in advance of your selection of an Investment Program.
- (b) Non-limited recourse products are typically financial products which are margined, meaning you pay a fraction of the full face value but remain liable to pay more if there is a shortfall (e.g. your financial product is revalued, triggering the requirement for you to pay more margin cover, or you suffer a loss when your position is closed and your account does not cover the shortfall).
- (c) Non-limited recourse products or facilities can include loans used to acquire financial products (including margin loans), certain types of derivatives and certain types of capital protected products that require the payment of ongoing fees to retain the capital protection feature.
- (d) The following risks are associated with non-limited recourse products:
  - (i) gearing can magnify your losses as well as your gains.
  - (ii) interest cost may outweigh investment returns and this could potentially have an impact on your cash flow.

- (iii) a non-limited recourse product imposes a legal obligation on you to pay an amount to another person or financial institution in the event of the occurrence or non-occurrence of something where the rights of the other person or financial institution are not limited to any property or asset that you have paid or set aside as security for the agreement.
- (e) In relation to the risk set out in (d)(iii), if the value of the investment is less than the value of the loan, it will be inadequate to clear the associated debt, so more assets may need to be sold. Additionally, you may also incur a capital gains tax liability on the sale of your other assets. In the event, that neither of these balances are sufficient, you may be left with a remaining debt that will need to be repaid on an ongoing basis via your cash flow. In the event of you having to sell your principal residence, note that it is not subject to capital gains tax and whilst the sale would incur selling costs, there would be no additional tax liability. A non-limited recourse product involves the risk of losing substantially more than the initial investment. For example, if you use \$50,000 of your own money and borrow \$450,000 via a margin loan to invest in \$500,000 in shares - if your shares suffer a significant decrease in value to say \$200,000 and you are required to meet a margin call from the lender immediately to fully repay your margin loan, you may be forced to sell \$250,000 of your other assets and property to make up the shortfall in value due to the decrease in value of your shares which have been held as security for the margin loan. In the instance of a non-limited recourse product or facility, you should understand that you can lose an amount greater than the current value of your investment, in which case you can be forced to dispose of the other assets and property you own (including your family home if it is in your name) to repay your loan.
- (f) Where advice is provided to you in the form of the Investment Program – SOA, which involves non-limited recourse products and facilities, the level of leverage and risk related to the non-limited recourse products and facilities will be fully disclosed to you in writing, in order for you to be able to make an informed decision as to whether to proceed with the Investment Program.
- It is particularly important to understand that, with certain derivative products, there can be the potential for unlimited liability. Before proceeding with the Investment Program, you should carefully read the Accolade Plus Agreement, including the Investment Program and SOA. It will provide you with important details about the investment arrangement proposed for you, including but not limited to, the type of non-limited recourse products and facilities that we intend to use (if any), the degree of leverage that may be employed in your investment arrangement, the means by which we will communicate with you should matters such as margin calls be triggered and information about our policy regarding closing positions at a loss in relation to each type of product.
- (g) Before entering into the Accolade Plus Agreement with us, and at the time of each annual review by us, you will be required to acknowledge in writing that you have been provided with a warning regarding non-limited recourse products and facilities, and that you have consented to us acquiring, holding or disposing of those products or facilities on your behalf.

### **33. Clearing and Settlement**

FinClear Services Pty Ltd, is licensed under the Corporations Act Australian Financial Services License (AFSL) no 338 264 to provide financial services and is a trading participant of ASX, a Participant of Chi-X, a general Participant of ASX Clear Pty Ltd ABN 48 001 314 503 (ASX Clear) and a Settlement Participant of ASX Settlement Pty Ltd ABN 49 008 504 532 (ASX Settlement). Canaccord Genuity in deciding to outsource the clearing and settlement functions, reviewed a number of outsourcing providers who performed these functions and determined that FinClear Services Pty Ltd would best suit Canaccord Genuity requirements.

#### **Confirmations**

After processing your order, Canaccord Genuity (through its Clearing Participant, FinClear Services Pty Ltd), will issue you with a confirmation to your nominated address detailing the transaction undertaken to buy or sell financial products. Please read this confirmation carefully and contact Canaccord Genuity immediately if any details appear incorrectly.

#### **Settling your buy transactions and receiving direct credits**

Your adviser can help you establish a Cash Management Account. A Cash Management Account can be used to hold the funds with which you plan to buy financial products and settle transactions. Alternatively, you may authorise Canaccord Genuity's Clearing Participant to directly debit and credit your bank account for settlement purposes (Direct Debit Authority). You can also settle your transactions with Canaccord Genuity's Clearing Participant using BPAY.

#### **International Transactions & Custody Services**

Canaccord Genuity will execute and arrange facilities for the execution of trades in eligible international securities and associated settlement and custody services. Canaccord Genuity Clearing Participant, will be responsible for the associated settlement and custody services. For further information, please refer to Canaccord Genuity International Securities Service Terms and Conditions.

#### **Clearing Participant Documents**

Canaccord Genuity clears and settles transactions through Canaccord Genuity's Clearing Participant. Canaccord Genuity's Clearing Participant carries the clearing and settlement obligations in respect of any transactions executed through Canaccord Genuity. When you open a Client Account at Canaccord Genuity, you will receive a Canaccord Genuity's Clearing Participant's Financial Services Guide and any other required documentation.

#### **Monitoring**

Canaccord Genuity performs monitoring of various functions outsourced to its Clearing Participant in addition to periodic monitoring of their internal controls in line with regulatory requirements.