

TERMS OF BUSINESS

The following terms of business (**Terms**) apply to all Services provided by Channel Finance Pty Ltd trading as Channel Private ABN 89 169 794 450 (**Channel Private**) to you and any of your related entities. By agreeing to proceed with our engagement, you agree to be bound both individually and through your entities by these Terms, as amended from time to time.

1. MEANING OF WORDS

The meaning of capitalised words used in these Terms is set out in Schedule 2.

2. APPOINTMENT OF CHANNEL PRIVATE

You appoint Channel Private to provide the Services pursuant to these Terms, including to provide you with financial product advice and manage your Investments in accordance with the scope of the authority given by you to Channel Private.

3. SERVICES

3.1 Channel Private may provide the following services to you from time to time:

- (a) providing you with financial product advice, which may include Personal Advice as specifically described in our Investment Proposal;
- (b) arranging for a Service Provider to provide services in connection with your Investments and financial affairs including providing you administrative support in respect of those services, and, without limitation, the arranging of your payment of fees and or settlement obligations to those Service Providers;
- (c) arranging for the execution of transactions in relation to your Investments, including providing instructions to a relevant Service Provider on your behalf;
- (d) supervising, monitoring and maintaining your Investments in accordance with your instructions, pursuant to an investment mandate or strategy as agreed between us from time to time; and
- (e) dealing with a Service Provider and/or you as principal to enable the purchase and sale of your investments (such as international securities).

3.2 The provision of the Services is subject to Applicable Laws.

4. FINANCIAL ADVICE

4.1 If we provide you with General Advice, you agree that:

- (a) that General Advice has been prepared without taking account your objectives, financial situation or needs;
- (b) you should, before acting on the advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs; and
- (c) you should obtain and read, and make sure you understand, the relevant information available in respect of the Investments the subject of our advice, in full before making any decision about whether to acquire a financial product.

4.2 You acknowledge and agree that, if we provide you with Personal Advice pursuant to clause 3.1(a):

- (a) you have accurately and completely disclosed your investment objectives, financial situation and particular needs (your **relevant personal circumstances**) to us, in order to assist us to provide you with the Personal Advice;
- (b) you will promptly notify us of any change in your relevant personal circumstances;
- (c) if you do not give all the details in relation to your relevant personal circumstances, or fail to promptly notify us of changes in relation to your relevant personal circumstances then

our advice could be based on incomplete and inaccurate information which could result in the Personal Advice not being appropriate for you.

5. PROVISION OF INFORMATION

- 5.1** In order for us to provide the Services to you, you will need to complete and sign any documents in the form provided by us from time to time in connection with us providing such Services and provide the information we require. These documents may be accepted in electronic format.
- 5.2** So that we can comply with our legal requirements when providing Services, when requested by us, you will need to provide us with the following information:
- (a) all information, data, or any other document required by us to verify your identity as required by AML/CTF Laws, including original or certified copies of documentary evidence;
 - (b) if you are an individual, your Tax File Number, and you authorise us to use and disclose that information to third parties in connection with us providing the Services to you under these Terms;
 - (c) if you are acting as a trustee, the relevant trust deed or any constituent documents of the trust, including any documents which amend those documents; and
 - (d) any other information we may reasonably request, including for the purpose of determining your classification under clause 7.
- 5.3** In order to provide our Services, we require up to date information. Please notify us promptly if any information you have provided us is, or becomes, untrue, incomplete or inaccurate.
- 5.4** We may at any time ask you to provide further information which we reasonably consider is required in order to provide Services to you. Any delay in providing such information to us may result in us not being able to provide Services to you or to arrange for others to provide Services to you, or in a timely manner.

6. CLIENT CLASSIFICATION

You acknowledge that you are a Wholesale Client for the purposes of Channel Private's obligations under the Corporations Act.

7. FEES

- 7.1** You agree to pay us the fees and charges as agreed between us from time to time in the Investment Proposal (**Fees**).
- 7.2** All Fees are calculated and payable in accordance with the Investment Proposal and must be paid on the relevant due date.
- 7.3** You agree to grant us a direct debit authority in relation to one of your Australian bank accounts to debit our Fees. The details of our direct debit agreement will be set out in your Investment Proposal.
- 7.4** Unless expressly stated otherwise, all Fees are expressed on a GST- inclusive basis. Where a Fee is expressly stated to be exclusive of GST, you agree to pay us the GST amount.

8. EFFECT OF DEATH OR INCAPACITY

If you die or become incapacitated whilst a client of Channel Private and subject to these Terms, then your legal personal representative is hereby instructed by you to ratify and confirm any actions we take between the date of your death or incapacitation and the date we receive evidence to our satisfaction of your death or incapacitation, and indemnify us in relation to these actions.

9. SET OFF

- 9.1** All of your monetary obligations under these Terms are absolute, free of any right by you to counterclaim or set off and are only satisfied once the payment has cleared.

9.2 If you fail to meet any settlement obligations which you have instructed us to incur, for which we have incurred liability on your behalf, you agree that we may sell on your behalf any of your Investments and apply the proceeds to reduce your liability to us or to a third party to whom you own an obligation in connection with the Services.

9.3 We may:

- (a) set off any amount payable to us, or any of our agents, by you against any amount payable by us or any of our agents to you; and
- (b) withhold any amount payable by us, or any of our agents, to you in satisfaction of any amount payable to us, or any of our agents, by you.

10. PEOPLE YOU AUTHORISE

10.1 You may appoint one or more people as Authorised Persons to represent or act for you, to receive information in regard to your financial affairs, or give instructions on your behalf. Such an appointment is subject to that person being reasonably acceptable to us, providing AML documents, and your written instruction. You need to ensure that your Authorised Person reads and understands these Terms prior to their appointment and knows the rights and remedies Channel Private may have against the Authorised Person pursuant to clause 10.3.

10.2 You agree and understand that:

- (a) we may act upon the instructions of any Authorised Person you have appointed;
- (b) an Authorised Person may be restricted from providing instructions in relation to particular Services; and
- (c) we may provide information relating to your Investments in response to a request from an Authorised Person;

without the necessity to check the authority of that Authorised Person to give such instructions or to request such information.

10.3 You agree that if any of your Authorised Persons breach these Terms, the breach will be attributed to you as principal, and we have the same rights and remedies as we would if you had personally committed the breach. Where we can take action against the Authorised Person, we do not need to do so before exercising the rights granted in this clause against you.

10.4 If you wish to revoke the authority of an Authorised Person, please notify us in writing.

11. REPRESENTATIONS AND WARRANTIES

You represent and warrant that:

11.1 all information you have provided to us is true, complete and accurate, and we may rely on that information in providing our Services and in the exercise of our authority as your attorney appointed under clause 13;

11.2 you have the power and authority to enter into the Terms and to perform your obligations under these Terms, and these Terms constitute valid and binding obligations on you;

11.3 if you are an individual, you are over the age of 18;

11.4 if one of your entities is a body corporate, it has been, and remains, validly registered and existing under the relevant laws of incorporation;

11.5 if you are acting as a trustee:

- (a) you have been properly appointed as the sole trustee of the relevant trust (**Trust**) and you are not in breach of trust;
- (b) these Terms will bind you in your personal capacity and also in your capacity as a trustee;

- (c) the Trust is duly constituted and is validly existing in compliance with all Applicable Laws, and the constitutional documents of the Trust have been duly stamped where required, in accordance with the laws of each State and Territory of Australia;
- (d) you have the right to be fully indemnified out of the Trust's assets for any obligation incurred under these Terms before any Trust beneficiary's claim and this right has not been limited or reduced in any way;
- (e) without limiting clause 11(b), you are authorised to, and have full power and authority, under the trust deed for the Trust to enter these Terms and acquire our Services, to perform your obligations under these Terms and any transaction that may arise under them;
- (f) in the case of a superannuation fund, the entry into of these Terms and the undertaking contemplated under these Terms:
 - (i) complies with all Applicable Laws, prudential standards and regulator issued guidelines applicable to the operation of superannuation funds, including the SIS Act, the SIS Regulations and the APRA superannuation prudential standards, prudential practice guides and other guidelines;
 - (ii) is in accordance with the fund's risk management strategy (including any applicable derivatives risk statement) and investment strategy prepared in accordance with the SIS Act and SIS Regulations; and
 - (iii) is on an arm's length basis, for value and on commercial terms;

11.6 if more than one person constitutes the Client (each a **joint holder**), each joint holder is jointly and severally responsible for performing all of the obligations and liabilities under these Terms, and each representation, warranty and undertaking under these Terms is taken to have been made by each joint holder;

11.7 except to the extent expressly agreed otherwise, Channel Private will only deal with the Client and no other person as its client for the purposes of the Applicable Laws and no other person shall have any rights under these Terms;

11.8 you have read and understood all documentation provided to you in connection with our Services;

11.9 you authorise us to provide any relevant information about you to Service Providers in connection with the provision of the Services;

11.10 you understand and acknowledge that your Investments are subject to risks of loss because of market, currency, economic, political, business and other events. We do not promise, represent, or guarantee that our advice to you, or the provision of the Services by us or a Service Provider, will achieve a particular rate of return for your Investments;

11.11 you will ratify and confirm any proper actions we or any Service Provider carry out based on your instructions, or the instructions of an Authorised Person;

11.12 as soon as you become aware of an error or omission, you are responsible for taking necessary action to mitigate further loss;

11.13 except where you have authorised us, and we have agreed, to manage your Investments on a discretionary basis, we are not responsible for your investment decisions;

11.14 you must pay all associated duties and taxes (including any GST) in relation to your Investments; and

11.15 we reserve the right to provide you with any Service in our sole discretion.

12. CONFIDENTIALITY AND PRIVACY

12.1 Except as provided for in these Terms and our Privacy Policy, or as otherwise agreed in writing by

you or as required by law, we will keep confidential all personal information provided by you including information concerning your financial affairs or Investments.

- 12.2** You acknowledge that your personal information may be collected, stored, used or disclosed by Channel Private in accordance with our Privacy Policy, which is available at www.channelfinanceasia.com.au or you may request a copy from Channel Private's Privacy Officer by sending an email to service@channelfinanceasia.com.au By agreeing to these Terms, you consent to the collection, storage, use and disclosure of your personal information in accordance with our Privacy Policy, including having your identity information verified with the issuer or official record holder through a Document Verification Service.

13. LIMITED POWER OF ATTORNEY

- 13.1** You appoint severally Channel Private and each of our agents, officers, and authorised representatives (each an **Attorney**) as your attorney, to do in your name everything necessary or expedient:
- (a) to prepare, execute and deliver any document, and do anything that is necessary to appoint or change a Service Provider or in connection with the acquisition, disposal, holding, management or administration of your Investments in accordance with your instructions, including, without limitation, to execute an application in accordance with your instructions or to agree to any terms and conditions of the Service Provider;
 - (b) to communicate, give instructions, or prepare, execute and deliver any document, or take any other action reasonably necessary to effect the acquisition, disposal, amendment, renewal or cancellation (as the case may be) of Investments in accordance with your instructions;
 - (c) to give instructions to, enter into contracts or agreements with, another party on your behalf after receiving your instructions to do so; or
 - (d) to execute United States tax documentation on your behalf, in reliance upon your representations to do so.
- 13.2** Any power granted to an Attorney pursuant to this clause 13 is only to be exercised in connection with the performance of the Services and the administration and management of your Investments in accordance with your instructions.
- 13.3** You agree that an Attorney may use any information you have provided to us for the purpose of exercising any power granted to an Attorney pursuant to this clause.
- 13.4** You are bound by, and agree to ratify, anything done by an Attorney in the exercise of an authority granted under this clause, and you acknowledge that anything done on your behalf within the authority of this clause will be treated as if you have done it personally.
- 13.5** The powers and authorities conferred on an Attorney under this clause remain in full force and effect until you revoke such powers and authorities given to an Attorney by giving written notice.
- 13.6** You agree to indemnify each Attorney against, and must pay each Attorney on demand the amount of, all losses, liabilities, costs or expenses incurred in connection with, or as a result of, the exercise of an authority by the Attorney under this clause.
- 13.7** Neither Channel Private, nor any Attorney is liable for any Loss incurred by you as a direct or indirect result of any delay or omission in the exercise of an authority by an Attorney under this clause, except when the Loss is caused directly by fraud, negligence or dishonesty.
- 13.8** You acknowledge that the power granted to an Attorney under this clause is not exclusive of, and does not limit, any other rights you have conferred upon Channel Private or any third party under any other agreement to which you are a party, including without limitation your agreement with a Service Provider.

14. LIMITATION OF LIABILITY AND INDEMNITY

14.1 To the extent permitted by Applicable Laws and subject to the provisions of the Competition and Consumer Act 2010 (Cth), ASIC Act and the Corporations Act which cannot be excluded by agreement between the parties, Channel Private and each of its directors, officers, employees and Associates will not have liability for any Loss incurred by you directly or indirectly (except to the extent resulting from or caused by our negligence, fraud or dishonesty), without limitation as a result of or arising out of:

- (a) our failure to act (or refuse to act) on your instructions or the instructions of an Authorised Person, regardless of whether there were any error or omission in your instructions;
- (b) your failure to comply with these Terms;
- (c) anything lawfully done by us, in accordance with these Terms or in compliance with a direction, request, or requirements under Applicable laws or of a regulatory authority;
- (d) any event or circumstance which we cannot reasonably control, including failure or problems involving the relevant stock exchange or market operator or failure of electronic or mechanical equipment or communication lines;
- (e) any delay, interruption, omission, failure, error or fault by us in passing on and executing your instructions;
- (f) any failure by a Service Provider;
- (g) market movements and other risks associated with the Investments;
- (h) reliance on a document or message that we had no reason to believe was not authentic or delays caused by our further investigation of the authenticity of the instructions.

14.2 You agree to indemnify and keep indemnified Channel Private and each of our directors, officers, representatives, agents, employees and Associates (Indemnified Parties) from and against any Loss reasonably incurred by any of the Indemnified Parties acting under, or in connection with, these Terms except insofar as any Loss is caused by the negligence, fraud or wilful misconduct of any Indemnified Party. Channel Private holds the benefit of this indemnity for each Indemnified Party, and this indemnity continues after the termination of these Terms and is for the benefit of each of the Indemnified Parties and may be enforced by an Indemnified Party individually or jointly with another Indemnified Party.

15. SUSPENSION RIGHTS AND TERMINATION

15.1 Subject to clause 15.2, these Terms may be terminated by either party giving one month's written notice to the other party, without affecting your liability to pay, and our rights to deduct or recover, all accrued Fees which are due and payable in respect of the period up to and including the termination date.

15.2 Channel Private may, at its sole discretion, terminate, restrict, or suspend, your access and use of any of the Services by giving you 5 Business Days' notice.

15.3 Upon termination of these Terms:

- (a) all fees accrued will become immediately due and payable by you and we may exercise our right under clause 8.3; and
- (b) all obligations under these Terms cease upon termination (but for the avoidance of doubt, rights or obligations that arise before termination are not affected).

16. GENERAL

16.1 Except as otherwise expressly provided in these Terms, any notice, approval, consent or any other documents must be in writing and must be sent by facsimile, email, registered post or courier and addressed as follows:

- (a) if to you, to your last address or email address notified in writing to Channel Private; and
- (b) if to Channel Private the following details:

Channel Private
Level 4, 90 William Street
Melbourne 3000

Email: service@channelprivate.com.au

Or as otherwise notified in writing to you from time to time.

- 16.2** Subject to the rest of this clause, these Terms may only be amended by written agreement between the parties. However, Channel Private may with 7 days prior written notice to you, amend these Terms to correct any obvious error or address unintended consequences and to reflect any change in Applicable Laws which affects the operation of these Terms.
- 16.3** You may not assign, transfer or novate any of your rights or obligations under these Terms without our written consent. Channel Private may, with 10 Business Days' notice to you, assign, transfer or novate its rights or obligations under these Terms to any third party.
- 16.4** If any part of these Terms is invalid, void or unenforceable, these Terms are only affected to the extent of such invalidity, voidness or unenforceability and the remainder of the Terms continues in full force and effect.
- 16.5** These Terms constitute the whole agreement of the parties and supersedes all other oral or written communications, understandings or agreements between the parties relating to the subject matter.
- 16.6** These Terms are governed by, and must be construed in accordance with, the law of the State of New South Wales. Each of you and Channel Private irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales and courts competent to hear appeals from those courts.

SCHEDULE 1 – WHOLESALE CLIENT CATEGORIES

Category	Criteria
Product Value Test	The price for the provision of a financial product or the value of the financial product to which the financial service relates (except for risk-based products) equals or exceeds \$500K (excluding superannuation sourced money).
Wealth Test (individuals and entities)	<p>You have provided an Accountant’s Certificate that is no more than 2 years old certifying that you:</p> <ul style="list-style-type: none"> • have net assets of at least \$2.5M or a gross income for each of the past two financial years of at least \$250K; or • are a company or trust that is controlled by a person who satisfies the above requirements. <p>Assets of companies or trusts that you control can be counted towards your net assets. Please discuss further with your accountant.</p>
Medium or large business test	You are a business that employees at least 20 people or, in the case of a manufacturing company, the business employees at least 100 people.
Professional investor	<p>You:</p> <ul style="list-style-type: none"> • hold an AFSL; • are a body regulated by APRA such as banks, general insurance companies, life companies, credit unions and friendly societies; • are a body registered under the <i>Financial Corporations Act 1974</i> (Cth); • are a trustee of a superannuation fund, approved deposit fund, pooled superannuation trust or public sector superannuation scheme where the fund, trust or scheme has net assets of at least \$10 million; • are a person who has or controls gross assets of at least \$10m (including any assets held by an associate or under a trust that you manage); • are a listed entity or related body corporate of a listed entity; • are an exempt public authority; • are an investment company (i.e. a body corporate or unincorporated body which carries on the business of investing in financial products interests in land or other investments and which invests funds received directly or indirectly following offers or invitations to the public, the terms of which provided for the funds subscribed to be invested accordingly); or • the foreign equivalent of any of the above.

SCHEDULE 2 - MEANING OF WORDS AND INTERPRETATION

In these Terms, the following words have the meaning set out below:

Application Form has the meaning given to it in clause 5.1.

Associates means all associates (as that term is used in the Corporations Act) of Channel Private from time to time.

AML/CTF Laws means the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) and any rules or regulations made under that legislation.

Applicable Laws means any common law, principles of equity, statute, regulations, rules, class orders or instruments that apply to the provision of the Services under these Terms, including but not limited to the Corporations Act, ASIC Act, AML/CTF Laws, each as amended from time to time or for the time being in force.

ASIC Act means the *Australian Securities and Investments Commission Act 2001* (Cth).

Authorised Person means a person appointed and authorised by you under clause 10.1.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, New South Wales.

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

Fees has the meaning given to it in clause 7.1.

General Advice has the meaning given to that term pursuant to section 766B(4) of the Corporations Act.

Investment means:

- (a) any securities (whether or not listed on a recognised stock exchange);
- (b) derivatives (limited to old law securities options contracts and warrants);
- (c) debentures, stocks or bonds issued or proposed to be issued by a government
- (d) interests in managed investment schemes;
- (e) cash and deposit products; or
- (f) any other investment, right or contract similar to or having substantially the same purpose as any of the above.

Channel Private means Channel Finance Pty Ltd trading as Channel Private ABN 89 169 794 450 Level 4, 90 William Street Melbourne, Australia.

Loss means any claim, action, demand, proceeding, judgment, damage, loss, liability (whether direct or indirect, in tort or contract or breach of statutory duty or otherwise), cost, charge, expense, outgoing, payment, fine, penalty loss or damages (including without limitation consequential loss or damage of any nature whatsoever).

Personal Advice means has the meaning given to that term pursuant to section 766B(3) of the Corporations Act.

Services means the services as outlined in clause 3.1.

Investment Proposal means the agreement between you and Channel Private that sets out the specific details of services we will provide to you.

Service Provider means a service provider other than Channel Private who provides services in connection with of your Investments from time to time, whether or not Channel Private arranged such relationship with the Service Provider on your behalf.

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

SIS Regulations means the *Superannuation Industry (Supervision) Regulations 2004* (Cth).

Wholesale Client has the meaning given to that term by section 761G of the Corporations Act. Schedule 1 sets out the main categories of Wholesale Client.

The following rules also apply in interpreting these Terms, except where the context makes it clear that a rule is not intended to apply.

- (a) Headings are for convenience only, and do not affect interpretation.
- (b) A reference to:
 - (i) legislation includes any subordinate or amending legislation issued under it;
 - (ii) a document (including this document) or agreement, or a provision of a document (including this document) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (iii) a party to this document or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (c) A singular word includes the plural, and vice versa.
- (d) A word which suggests one gender includes the other genders.
- (e) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- (f) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- (g) A reference to **information** is to information of any kind in any form or medium, whether formal or informal, written or unwritten, for example, computer software or programs, concepts, data, drawings, ideas, knowledge, procedures, source codes or object codes, technology or trade secrets.
- (h) The word **agreement** includes an undertaking or other binding arrangement or understanding, whether or not in writing.
- (i) The expression **this document** includes the agreement, arrangement, understanding or transaction recorded in this document.
- (j) The expressions **subsidiary**, **holding company** and **related body corporate** have the same meanings as in the Corporations Act.
- (k) A reference to **dollars** or **\$** is to an amount in Australian currency.
- (l) If the day on or by which a person must do something under this document is not a Business Day the person must do it on or by the next Business Day.

This document is not to be interpreted against the interests of a party merely because that party proposed this document or some provision in it or because that party relies on a provision of this document to protect itself.

If a provision of this document requires a person that is not a party to this document to do, or not to do, a thing, each party must use its reasonable efforts to ensure that the person does, or does not, do that thing.