



INTERACTIVE BROKERS AUSTRALIA PTY LTD

ABN 98 166 929 568
AFSL number 453554

INTERMEDIARY AGREEMENT: FULLY DISCLOSED ACCOUNTS

1. INTRODUCTION

- 1.1 This agreement governs the relationship between the Master Account Holder and Interactive Brokers Australia Pty Limited ABN 98 166 929 568 ("**IBAU**") for the purposes of the provision of the Services and Administrative Functionality. Any previous understanding, agreement, representation or warranty in relation to the subject matter of this document has no further effect and is replaced by this document ("Agreement").
- 1.2 The provisions of this Agreement supplement the provisions of IBAU's General Terms and Conditions (available on its website). In the event of any inconsistency between this Agreement and IBAU's General Terms and Conditions, in a matter related to this Agreement, the provisions of this Agreement shall prevail.
- 1.3 This Agreement constitutes a legally binding contract which the Master Account Holder accepts for itself and on behalf of any principal, principals, persons or entities for which it acts.
- 1.4 This Agreement is in [four] parts:
 - (a) Part A sets out the general terms of Intermediary Agreement.
 - (b) Part B sets out the additional terms for the Family Office and Family Management Master Account Holders
 - (c) Part C sets out the additional terms for AFS Licensees
 - (d) Part D sets out the additional terms for Authorised Representatives of AFS Licensees

PART A**GENERAL TERMS OF THE INTERMEDIARY AGREEMENT****2. BACKGROUND****2.1 IBAU**

- (a) Operates an electronic brokerage business providing services to retail, wholesale and professional customers to conduct purely self-directed trading for which it is licensed ("**Services**"); and,
- (b) Does not provide of any legal, tax, financial or accounting advice to the Master Account Holder, or Subsidiary Accounts, or anyone else.

2.2 Master Account Holder

- (a) Provides Intermediary Services to the Subsidiary Accounts,
- (b) Wishes IBAU to provide Services to itself and to Subsidiary Accounts, as applicable,
- (c) Wishes IBAU to provide Administrative Functionality to the Master Account Holder.

3. DEFINITIONS AND INTERPRETATION

Account means an account, or sub-account, held, solely or jointly, by or for a Subsidiary Account with IBAU in accordance with IBAU's General Terms and Conditions.

Administrative Functionality means designating certain Accounts in a manner to reflect that Accounts are related for administrative purposes only; providing access to the Master Account Holder to trade on behalf of Subsidiary Accounts; providing the Master Account Holder with administrative controls in respect of the Subsidiary Accounts.

Australian Financial Services Licence or **AFS Licence** has the meaning as defined in section 911A of the Corporations Act.

Affiliate means, in respect of an entity or other person, an entity or other person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with the entity or other person.

Applicable Laws means, in relation to a matter, all laws, legislation, regulation and subsidiary regulation, instruments and orders of a regulatory authority or a court, rules and procedures of a Financial Market or a CS Facility which apply to the relevant matter in the relevant jurisdiction, including for example, and without limitation, the Corporations Act and regulations made pursuant thereto, ASIC Class Orders, the Market Integrity Rules and other instruments.

Business Day means a day other than Saturday or Sunday and which is not a public holiday.

Clearing Participant means, in relation to a Transaction, the participant of the relevant CS Facility which has the responsibility for clearing that Transaction.

Client Account means an account held, solely or jointly, in the name of a customer of IBAU in accordance with IBAU's General Terms.

Confirmation has the meaning in clause 8.1.

Corporations Act means the Corporations Act 2001 (Cth).

CS Facility means a clearing and settlement facility, within the meaning of the Corporations Act whether located in Australia or overseas, and includes ASX Clear and ASX Clear (Futures).

Default has the meaning in clause 22.1.

Financial Market means, as applicable:

- (a) the financial markets operated by ASX or Chi-X and any other financial market licensed under Parts 7.2 or 7.3 of the Corporations Act; and
- (b) any Foreign Financial Market.

Financial Product has the meaning given to that term in section 761A of the Corporations Act and includes Securities and Foreign Exchange Contracts.

Foreign Exchange Contract has the meaning given to that term in section 761A of the Corporations Act.

Foreign Financial Market Participant means a third-party international broker or market participant, which may be an Affiliate of IBAU's, with whom IBAU enters into an execution and/or clearing arrangements.

General Terms and Conditions means IBAU's customer terms and conditions as amended from time to time.

GST means:

- (a) the same as in the GST Law;
- (b) any other goods and services tax, or any tax applying to any transaction envisaged under this document in a similar way; and
- (c) any additional tax, penalty tax, fine, interest or other charge under the GST Law or any other law for such a tax.

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

IBAU means, as applicable, Interactive Brokers Australia Pty Ltd ACN 166 929 568 and any of its related entities, affiliates, successors or assignees, or nominees.

IB System means any on-line or electronic trading or information service provided by IBAU or made available by IBAU (including, without limitation, all software and communication links) under which you may:

- (a) place your Orders or transmit other instructions to IBAU or other persons;
- (b) receive information as to the pricing or value of one or more Financial Products;
- (c) receive market data and other information in relation to one or more Financial Products; or
- (d) receive Confirmations, Account or sub-account balances or other information in connection with your Account, sub-accounts or Transactions.

In these Terms we refer to such a service as the **IB System**.

Immediate Family Member means the same as Immediate Family Member in the Corporations Act 2001 (Cth).

Intermediary Services means the services, in whatever form whether financial planning, financial advice, dealing, or investment advice or otherwise, that the Master Account Holder provides to the Subsidiary Accounts.

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

Licensee means the Australian financial services entity which is the holder of an Australian Financial Services Licence and includes any director, officer, agent, employee or representative thereof.

Master Account means the Account of the Master Account Holder.

Market Integrity Rules means the market integrity rules made by ASIC in accordance with Part 7.2A of the Corporations Act, as amended from time to time, that apply to a relevant Financial Market.

Order means the same as 'Order' in ASIC Market Integrity Rules (Securities Markets) 2017, schedule 1.4, and ASIC Market Integrity Rules (Futures Markets) 2017, Schedule 1.4, as applicable for the market that the Order would transact on, or otherwise as defined by the market operator of a Foreign Financial Market with respect to Orders that would transact on that Foreign Financial Market.

Subsidiary Accounts means Accounts of customers of IBAU who hold subsidiary accounts linked to the Master Account, whether they be clients of the Master Account Holder or other accounts owned by or related to the Master Account Holder.

Security includes any physical commodities or any certificates or documents of or evidencing title to any of the same including, without limitation, in Australia, all "securities" within the meaning of the Corporations Act, in each case acceptable to IBAU.

Security Information has the meaning in clause 11.3.

Service means the provision of wholly customer directed brokerage and custody services to its Customers.

Third Party Trading Authority means the limited power of attorney given to the Master Account Holder by the Subsidiary Account, a copy of which has been provided to IBAU at the time that the Subsidiary Account was opened or linked to the Master Account.

Transaction means a transaction for one or more Financial Products which arises on the execution of an Order or otherwise pursuant to these Agreement and includes, for example, a transaction for the sale and purchase of Financial Products and a transaction for the entry into or close out of a derivative.

4. **MASTER ACCOUNT HOLDER'S REPRESENTATIONS AND WARRANTIES**

4.1 The Master Account Holder represents and warrants that,

- (a) It holds an irrevocable power of attorney in the form of the Third Party Trading Authority from the Subsidiary Account authorising the Master Account Holder to submit Orders (including disposing and acquiring financial products) and enter into Transactions on behalf of the Subsidiary Account (whether such Transaction cause financial obligations to be incurred to IBAU or not) for the Subsidiary Account (without prior notice to the Subsidiary Account);

- (b) Each time the Master Account Holder submits an Order to IBAU or enters Transactions on behalf of a Subsidiary Account, it is acting as agent of the Subsidiary Account and not IBAU;
 - (c) It is authorised by the Subsidiary Accounts to view, record, [and change] the Subsidiary Account's personal information.
 - (d) If the Master Account Holder is acting as an Authorised Representative of a Licensee, it is acting within the scope of its authorisation from the Licensee in its provision of Intermediary Services to the Subsidiary Accounts.
- 4.2 The Master Account Holder acknowledges that IBAU provides Services to Subsidiary Accounts subject to IBAU's General terms and Conditions.
- 4.3 In the case that the Master Account Holder attempts to link to a Subsidiary Account that is owned or controlled by a person not resident in Australia for the purpose of providing Intermediary Services to that Subsidiary Account, the Master Account Holder represents and warrants each of the following to IBA:
- (a) The Master Account Holder has considered his or her obligations under the laws and regulations of the jurisdiction in which the Subsidiary Account holder resides, and under the laws and regulations of Australia, including without limitation Part 7.6 of the *Corporations Act 2001*, and under any other jurisdiction in which the Master Account Holder conducts business;
 - (b) The Master Account Holder has sought independent legal advice in regard to its obligations under the laws and regulations of the jurisdiction in which the Subsidiary Account holder resides as necessary;
 - (c) The Master Account Holder is able to provide the representations and warranties contained herein in full knowledge of its obligations in each jurisdiction in which it conducts business;
 - (d) The Master Account Holder is not required to be registered or licensed or present in such jurisdictions as the Subsidiary Account holders reside for the purpose of the provision of Intermediary Services to the Subsidiary Account(s), or else that the Master Account Holder has obtained, and maintains in full force and effect, all such registrations, licences, authorisations and permissions as it requires from time to time in order to provide the Intermediary Services under the applicable laws and regulations of the jurisdictions in which the Subsidiary Account holders reside;
 - (e) The Master Account Holder does not and will not engage in any conduct which is intended to, or will likely have the effect of, causing IBA to breach the laws and regulations of the jurisdiction in which the Subsidiary Account holder resides, including by engaging in any conduct which may trigger a requirement for IBA to itself become registered or licensed or to establish a presence in the jurisdiction in which the Subsidiary Account holders reside.
- 4.4 The Master Account Holder acknowledges that IBA reserves the right, in its sole discretion, to set and enforce limits on the number of Subsidiary Accounts that the Master Account Holder may link to in any jurisdiction, including in Australia, and may therefore restrict the Master Account Holder from linking to additional Subsidiary Accounts without prior notice to the Master Account Holder.
- 4.5 All representations, warranties and acknowledgments given under this clause or elsewhere in this Agreement are taken to have been made at the time the agreement is executed and are taken to have been repeated each time the Master Account Holder places an Order with IBAU on behalf of a Subsidiary Accounts.

5. MASTER ACCOUNT HOLDER CAPACITY

- 5.1 If the Master Account Holder is constituted by more than one person (including, for example, if a partnership or joint venture), each person constituting the Master Account Holder is jointly and severally liable for the obligations under this Agreement, and IBAU may act on the instructions of any one of those persons, without the necessity to refer to, or notify, any other person.
- 5.2 If the Master Account Holder is a corporation, it represents and warrants that:
- (a) It has full corporate power to enter into, and perform the obligations under, this Agreement; and
 - (b) It has taken all necessary corporate action to authorise the performance of its obligations under this Agreement, and this Agreement constitutes a legal, valid and binding obligation, enforceable against it.

6. THE AGREEMENT

- 6.1 IBAU agrees to provide Services to Subsidiary Accounts in accordance with its General Terms and Conditions,
- 6.2 IBAU agrees that you provide the Intermediary Services to the Subsidiary Accounts, and
- 6.3 For administrative purposes and subject to the authority granted to you by the Subsidiary Account Holder by way or the Third Party Trading Authority Form in respect of each of the Subsidiary Accounts,
- (a) IBAU will designate Accounts held in the name of the Master Account Holder and the Subsidiary Accounts to reflect the arrangement between the Master Account Holder and the Subsidiary Accounts; and
 - (b) IBAU will provide the Master Account Holder the necessary access to the IB system in order to facilitate the provision of Intermediary Services to the Subsidiary Accounts.

7. REGULATORY COMPLIANCE

- 7.1 You agree and acknowledge that you are solely responsible for compliance (including ensuring that its directors, employees, representatives and agents comply) with the Applicable Laws in the provision of Intermediary Services to the Subsidiary Accounts;
- 7.2 You represent and warrant that the Master Account Holder, and its directors, officers, employees, representatives and agents, comply and will comply with the Applicable Laws and the conditions on its Australian Financial Services Licence (or on the AFS Licence under which it is authorised to act), including with limitation, that,
- (a) It will comply with the applicable education and training requirements, including those requirements articulated in ASIC Regulatory Guide 146 (as amended);
 - (b) It will comply with the applicable requirements relating to disclosure of fees, prohibition against charging conflicted remuneration, requirements relating to product disclosure, the provision of financial services guides, statements of advice or any other disclosures required by the Corporations Act;
 - (c) It will conduct all of its activities lawfully and in accordance with the Corporations Act and the terms of any agreement between it and the Subsidiary Accounts;

- 7.3 You must provide immediate written notice to IBAU if,
- (a) The Master Account Holder ceases to be authorised to perform the Intermediary Services in respect of any Subsidiary Accounts,
 - (b) The Master Account Holder or any of its directors, officers or employees becomes subject to any regulatory action by any regulatory body which exercises supervisory authority or primary regulatory oversight in respect of the Master Account Holder.
- 7.4 You will immediately refer any formal complaint received by the Master Account Holder about IBAU's provision of Services to a Subsidiary Account to IBAU and you will inform the relevant complainant that it has referred such complaint to IBAU.
- 7.5 You will not cause, whether by act or omission, IBAU to breach of any of the Applicable Laws or the conditions of IBAU's Australian Financial Services Licence.

8. **AML**

8.1 **Compliance with AML Rules**

Master Account Holder hereby agrees and acknowledges that it is responsible for the detection and prevention of money laundering, terrorist financing and other criminal activity by Master Account Holder's clients. Master Account Holder represents and warrants that it now does and will continue to comply with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), the Anti-Money Laundering and Counter-Terrorism Financing (Prescribed Foreign Countries) Regulation 2016, the Anti-Money Laundering and Counter Terrorism Financing Rules and all other applicable AML laws and regulations and any future obligations that may be imposed on the Master Account Holder by applicable laws or regulations (including, but not limited to, its obligations to know its clients, their source and use of funds and to monitor for and identify suspicious activity) ("Relevant AML Regulations"). Master Account Holder further represents and warrants that it has established, maintains and enforces a program of written AML internal policies, procedures and controls in accordance with the Relevant AML Regulations, that include: (a) procedures for obtaining identification information and for verifying the identity of Master Account Holders clients and (b) written procedures and a means for monitoring account activity and for identifying and reporting money laundering, terrorist financing and other criminal or suspicious activity. Master Account Holder shall provide IBAU with a then-current copy of its AML procedures upon request.

8.2 **Client Identification**

- (a) Prior to depositing the funds of any Subsidiary Accounts holder into the Consolidated Account (or any sub-account thereof) or submitting the orders on behalf of the Subsidiary Accounts, Master Account Holder shall:
 - (i) Obtain sufficient information as required by the Relevant AML Regulations from the Master Account Holder client to reasonably identify and verify the identity of the client including, without limitation: (a) the client's name; (b) the client's date of birth; (c) if the client is an individual, the client's residential address; (d) if the client is an organization, the client's principal place of business or local office; (e) and obtain a certified copy of the client's driver's license, passport or other government issued identification number and the country that issued the client's identification number ("Identification Information")
 - (ii) Effectively verify all of the client's Identification Information through documentary and/or non-documentary means including, without limitation, by obtaining copies, and where required certified copies, of documentation that contains the client's name, address, date of birth; and

- (iii) Obtaining a written certification that the client is trading solely on his or her or its own behalf and not on behalf of another person whether as a nominee, trustee, fiduciary or otherwise (unless authorized by law and so identified to Master Account Holder).
- (b) Master Account Holder shall not submit, and shall not permit the submission of, any funds of any Subsidiary Account Holder or any order on behalf of a Subsidiary Account Holder, to IBAU if:
- (i) Master Account Holder is not able to verify the identity of the Subsidiary Account Holder in accordance to the Relevant AML Regulations;
 - (ii) The Subsidiary Account holder resides in, is domiciled in, was formed or organized in, or is a citizen of: Central African Republic, Democratic Republic of the Congo, Guinea-Bissau, Libya, Iran, Iraq, Lebanon, Mali, Myanmar, North Korea, Russia, Ukraine, Somalia, South Sudan, Sudan, Syria, Yemen or Zimbabwe;
 - (iii) The Subsidiary Account holder utilizes a post office box or "in care of" address as the Subsidiary Account holder 's residential address or principal place of business;
 - (iv) The Subsidiary Account holder is a senior political figure of a non-Australian government (unless IBAU's AML Compliance Officer has approved the account in writing); or
 - (v) The Master Account Holder is aware of any activities on the part of the Subsidiary Account holder that lead or should lead the Master Account Holder to suspect that the Subsidiary Account holder is, or has been involved in money laundering, terrorist activity or any other illegal conduct.
- (c) Master Account Holder shall make and maintain accurate records of all information and documentation related to the verification of the identities of the Subsidiary Account Holders in accordance with the Relevant AML Regulations, including but not limited to: (1) all Identification Information and documentation provided by the client, its beneficial owners, or its authorized traders or related to the identification of such persons; (2) the methods and results of any measures undertaken to verify the identity of the Subsidiary Account Holders; (3) the resolution of any discrepancy in the Identification Information or documentation; (4) the person who verified the identity of the Subsidiary Account Holders; and (5) the date of verification. Master Account Holder, upon request, shall identify to IBAU any of Subsidiary Account Holders or any of such Subsidiary Account Holder's beneficial owners or authorized traders. Master Account Holder, upon request, shall provide copies if the information and documentation referenced herein or related to a Subsidiary Account or transactions to IBAU, its affiliates, any exchange and any other governmental, regulatory or self-regulatory authority.
- (d) Source and Use of Funds. Master Account Holder shall undertake reasonable efforts to ascertain that its clients are not engaged in unlawful activities, the assets being invested have been legitimately obtained and any disbursements to a client or to a third party are for legitimate purposes.

8.3 Sanctioned Individuals

Master Account Holder shall not submit, and shall not permit the submission of, any funds of any Master Account Holder client or any Subsidiary Account Holder order to IBAU until it has determined that the client's name does not appear on sanction list issued by a FATF country, including but not limited to the SDN List issued by the US Department of Treasury's

Office of Foreign Assets Control ("OFAC") and the Consolidated Sanction List issued by the United Nations Securities Council.

8.4 **Surveillance and Suspicious Activity Reporting**

- (a) Master Account Holder shall conduct surveillance of the activity in the Subsidiary Accounts including, without limitation, reviewing trading, deposits, withdrawals, transfers of funds and other account activity for the purpose of detecting suspicious transactions or other activity that may involve money laundering, terrorist activity or other illegal conduct.
- (b) Master Account Holder shall notify IBAU's AML Compliance Officer regarding any account activity Master Account Holder knows or has reason to suspect: involves funds related to money laundering, terrorist activity or any other illegal conduct; is intended or conducted in order to hide or disguise funds or assets derived from illegal activity; is designed to evade laws or regulations; involves the use of IBAU or the Master Account Holder to facilitate criminal activity; is not legitimate, has no business or apparent purpose or is not the sort of transactions in which the particular client would normally be expected to engage (and there is no reasonable explanation therefor); is otherwise suspicious; or could support the filing of a suspicious transaction report ("STR"). Such notice shall be provided by the Master Account Holder as soon as practical after identifying the activity and, in any event, prior to filing an STR. Master Account Holder shall provide IBAU with copies of all STRs and other communications it files with respect to the Subsidiary Accounts, unless prohibited by law. Master Account Holder shall provide IBAU with any other information or documentation regarding the above-referenced account activity, the responsible client or related persons that IBAU, in its sole discretion, believes is necessary or appropriate to fulfill its obligations and shall take any action that IBAU may request in connection with the such activity, whether the activity was detected by Master Account Holder or IBAU.
- (c) IBAU reserves the right to monitor the activity in the Subsidiary Accounts and to make and file such suspicious transaction or other reports as it deems necessary or appropriate. Master Account Holder recognizes that, by conducting such surveillance and filing such reports, IBAU does not thereby assume any responsibility of the Master Account Holder for conducting surveillance of the activity Subsidiary Accounts nor to report any suspicious activity therein.

8.5 **Knowledge of IBAU's AML policies and procedures**

Master Account Holder agrees to become familiar with any of IBAU's AML policies and procedures relayed to Master Account Holder and to abide by them.

9. **ACKNOWLEDGEMENTS**

The Master Account Holder acknowledge that all dealings in Financial Products and the performance by IBAU of its obligations under IBAU's Terms and Conditions are subject to the Corporations Act, the operating rules of relevant financial markets and clearing and settlement facilities and other Applicable Laws. The Master Account Holder agrees that in the event of any inconsistency between this Agreement and any Applicable Laws, the latter will prevail to the extent of the inconsistency.

10. **RELATIONSHIP BETWEEN MASTER ACCOUNT HOLDER, IBAU AND SUBSIDIARY ACCOUNTS**

- 10.1 You acknowledge that any Agreement entered into between IBAU and any holder of a Subsidiary Account does not confer any rights on either of the Master Account Holder or the

Subsidiary Account, nor does such agreement give rise to any obligation or liability of any kind for IBAU to the Master Account Holder or to the Subsidiary Account.

10.2 **No Authority**

IBAU does not grant (whether expressly or impliedly) any authority to the Master Account Holder, to,

- (a) receive, decide or resolve any disputes as between IBAU and the Subsidiary Accounts in respect of IBAU's provision of the Services to the Subsidiary Accounts;
- (b) bind, or enter into any agreement, understanding or commitment giving rise to any liability or obligation, on behalf of IBAU,
- (c) make any representation about any relationship between IBAU and the Master Account Holder.

10.3 **No Agency**

Nothing in this Agreement shall be construed so as to give rise to any agency relationship between the Master Account Holder and IBAU unless otherwise specifically provided for.

10.4 **No assumption of liability**

IBAU assumes no responsibility and has no liability for the Master Account Holder in respect of the Intermediary Services provided by the Master Account Holder to the Subsidiary Account.

10.5 **No supervision**

IBAU assumes no responsibility for the performance of any supervisory function in relation to the Master Account Holder's provision of Intermediary Services.

10.6 **No partnership**

This Agreement does not and shall not be deemed to constitute a partnership or joint venture, or any other cooperative undertaking between any of IBAU, its directors, officers, employees or agents and the Master Account Holder.

10.7 **No representations**

The Master Account Holder undertakes and agrees that it will not represent or hold itself out as having any authority on behalf of IBAU for any purpose or as having any relationship with IBAU contrary to this clause, unless otherwise expressly agreed by IBAU in writing.

11. **MATERIAL CHANGES TO SUBSIDIARY ACCOUNT INFORMATION**

- 11.1 The Master Account Holder must provide immediate written notice to IBAU if it ceases to be authorised with respect to a Subsidiary Account, as applicable.
- 11.2 The Master Account Holder must provide immediate written notice to IBAU if it becomes bankrupt or subject to a personal insolvency agreement under Part X of the Bankruptcy Act (1966).
- 11.3 The Master Account Holder will, as soon as possible, provide written notice to IBAU and an accurate copy of any revised agreements, if there is any change in a Subsidiary Accounts'

agreement with the Master Account Holder, or change in the power of attorney documents (or similar authorising instrument) concerning the Subsidiary Accounts.

- 11.4 The Master Account Holder will, as soon as possible, provide written notice to IBAU of any material change in any information regarding any Subsidiary Accounts, including but not limited to material changes in information regarding the Subsidiary Accounts' financial status or investment objectives.
- 11.5 The Master Account Holder will, as soon as possible, provide written notice to IBAU and an accurate copy of any revised agreements, if there is any change in a Subsidiary Account's agreement with the Master Account Holder, or change in the power of attorney documents (or similar authorising instrument) concerning the Subsidiary Accounts.
- 11.6 The Master Account Holder must provide immediate written notice to IBAU of any material change in the nature of the Intermediary Services provided by the Master Account Holder to the Subsidiary Accounts.

12. **LIMITATION OF LIABILITY**

- 12.1 IBAU is not liable to you in contract or tort (including negligence) or otherwise for any loss, harm or damage suffered by you, including for prospective profits, in relation to IBAU's provision of Services and / or Administrative Functionality, in the case of any error or delay connected to the IB System.
- 12.2 To the fullest extent permitted by law, IBAU excludes all liability in contract or tort (including negligence) or otherwise relating to or resulting from your provision of the Intermediary Services to the Subsidiary Accounts. Master Account Holder hereby indemnifies and agrees to hold IBAU and its affiliates, and its and their successors and assigns, and its and their directors, officers and employees ("IBAU Indemnitees") harmless against any and all penalties, damages, costs, judgments, legal fees or any other expenses incurred in connection with any and all claims of any kind against IBAU by subsidiary Account Holders, any prospective clients, civil or regulatory authorities or any other third parties, which relate to Master Account Holder's provision of Intermediary Services (including specific conduct, advice, trades or recommendations of Master Account Holder) or Master Account Holder's activities under this Agreement.

13. **INDEMNITY**

- 13.1 To the fullest extent permitted by law, the Master Account Holder will indemnify, keep indemnified and hold harmless, release or discharge IBAU and each of its directors, officers, employees agents, or representatives from and against all Loss and costs (including legal costs on a full indemnity basis) whatsoever and howsoever incurred, paid, suffered, or arising for or by IBAU or any of its directors, officers, employees, agents, or representatives whether directly or indirectly, out of or in connection with,
- (a) Any wrongful act, error, misstatement, malfeasance, misrepresentation, fraud, misappropriation, criminal act or omission, breach of any Applicable Law, breach of contract, or negligence by the Master Account Holder;
 - (b) IBAU's reliance on the authority granted to the Master Account Holder by the Subsidiary Account(s) under the Third Party Trading Authority and IBAU's execution of the Master Account Holder's instructions, for any breach of the terms of Third Party Trading Authority, or any breach of any agreement between IBAU and the Account Holder, or for any action taken by the Master Account Holder which falls or is determined to fall outside of the Master Account Holder's authority;
 - (c) Any warranty or representation given by the Master Account Holder in this Agreement being inaccurate, incorrect or untrue, or at any time becoming any of the former;

- (d) Any instruction, request or direction given by the Master Account Holder;
- (e) Any advice, direction, decision, dealing provided by or purported to be provided by the Master Account Holder on its own behalf or on behalf of Subsidiary Account upon which IBAU has acted or declined to act in good faith;
- (f) Any failure of any of the Master Account Holder's computer or electronic systems or networks to perform, be available or successfully transmit data to IBAU, or any error or inadequacy in the data or information input into such systems or networks by the Master Account Holder;
- (g) Any delays in processing any Order including, for example, as a result of systems or market delays, or due to verification procedures or unauthorised processes or due to call waiting time or adherence to internal policies and procedures;
- (h) Anything lawfully done by IBAU in accordance with, pursuant or incidental to this Agreement; or
- (i) IBAU complying with any direction, request or requirement of Applicable Law, any financial market or CS Facility, any government body or any regulatory body having jurisdiction over IBAU.

14. **ADVISORY FEE**

- 14.1 IBAU will allow Subsidiary Accounts to request that IBAU deduct from their Account with IBAU, advisory fees (and/or sub-advisory fees) (collectively "**Advisory Fees**"). In such circumstances, the Master Account Holder and the Subsidiary Account will provide to IBAU the method of calculating the Fees that the Subsidiary Account has agreed to pay the Master Account Holder.
- 14.2 You represent and warrant that all Advisory Fees charged by the Master Account Holder to any Subsidiary Account,
- (a) have been fully disclosed to the such Subsidiary Account,
 - (b) are consistent with any agreement between the Master Account Holder and the Subsidiary Account, and
 - (c) comply with all Applicable Laws (including without limitation the Corporations Act) to which the Master Account Holder is subject.
- 14.3 IBAU's only liability to pay funds to the Master Account Holder under this Agreement, is to pay Advisory Fees that the Subsidiary Account may owe to the Master Account Holder and which IBAU has actually deducted from the Subsidiary Accounts. For the sake of clarity, IBAU is not liable to the Master Account Holder for the payment of Advisory Fees on its own behalf or in circumstances where it is unable to deduct such Advisory Fees, such circumstances include:
- (a) If there is, or will be, insufficient funds in a Subsidiary Account;
 - (b) If the deduction of the Advisory Fees would, as determined by IBAU in its sole discretion, cause the Subsidiary Accounts' Account to have insufficient funds to cover any margin or other requirements IBAU imposes on a Subsidiary Account;
 - (c) If there is any dispute between the Subsidiary Account and the Master Account Holder regarding the Advisory Fees or any agreement between them;
 - (d) If there is any dispute between the Subsidiary Account, the Master Account Holder, or IBAU regarding IBAU's provision of Services to the Subsidiary Account;

- (e) If the Subsidiary Account has closed or IBAU has terminated their Account;
 - (f) If IBAU has any doubt, whether reasonably formed or otherwise, as to whether a Subsidiary Account has authorised the deduction of Advisory Fees from the Subsidiary Account;
 - (g) If IBAU determines, in its sole discretion, that the Master Account Holder has violated any provision of this Agreement, any agreement it may have with the Subsidiary Account, or any Applicable Laws.
- 14.4 If IBAU deducts any Advisory Fees from a Subsidiary Account and there is any dispute as to whether such fees were actually owed to the Master Account Holder, or if IBAU has any other reason to believe (such belief formed reasonably or otherwise) that remitting such fees to the Master Account Holder would not be proper, then,
- (a) IBAU may in its sole discretion decide not to remit such funds to the Master Account Holder and return such funds to the Subsidiary Account, whereupon the Master Account Holder becomes solely responsible for the collection of such fees from the Subsidiary Account;
 - (b) if IBAU has already erroneously or improperly remitted such funds to the Master Account Holder, then upon notice being given by IBAU, the Master Account Holder agrees to return any funds erroneously or improperly remitted to IBAU immediately and simultaneously grants an enduring lien (equal to the amount of funds that the Master Account Holder is required to return to IBAU) to IBAU against any other funds or assets of the Master Account Holder held by IB.
 - (c) you must provide written notice to IBAU, to the attention of IBAU Compliance Department, in the event of any oral or written complaint made by any Subsidiary Account relating in any way to the Advisory Fees, the Master Account Holder's arrangements with the Subsidiary Account, or IBAU's provision of Services.
- 14.5 You must provide immediate written notice to IBAU in the event of any change in the Advisory Fees for any Subsidiary Account or in the event that either the Subsidiary Account or Master Account Holder terminates the relationship with the other.
15. **GST**
- 15.1 **Responsibility for GST**
- The Master Account Holder is responsible for complying with the GST Law, including withholding or paying any amounts, in respect of Advisory Fees paid by the Subsidiary Accounts to the Master Account Holder.
16. **DEFAULT**
- All matters constituting an event of Default under IBAU's General Terms and Conditions is also an event of Default under these terms.
17. **TERMINATION**
- 17.1 IBAU may terminate this Agreement at any time by giving notice to the Master Account Holder.
- 17.2 The Master Account Holder may terminate this Agreement at any time by giving IBAU 5 Business Days' notice.
- 17.3 The termination of this Agreement does not affect outstanding rights or obligations under this Agreement which remain undischarged at the time of termination.

17.4 IBAU may terminate its agreement with any Subsidiary Account in accordance with IBAU's General Terms and Conditions.

18. **AMENDMENT**

18.1 This Agreement may be amended by IBAU from time to time.

18.2 IBAU will provide 5 Business Days' notice of any amendment, after which time the amendment will become effective. IBAU may give such notice in writing, electronically via email to the address notified by the Master Account Holder, through the IB System, or by posting the revised Agreement on IBAU's website.

19. **SEVERANCE**

If any of the provisions herein or part thereof are invalid and not enforceable in accordance with their terms, such terms or part thereof shall be read down to the extent necessary to be valid and enforceable, and all other terms or part thereof which are self-sustaining and capable of separate enforcement without regard to the invalid term are and continue to be valid and enforceable in accordance with their terms.

20. **GOVERNING LAW**

This Agreement is governed by the law in force in New South Wales and the Master Account Holder and IBAU submit to the non-exclusive jurisdiction of the courts of New South Wales and courts which may hear appeals from those courts.

21. **TIME IS OF THE ESSENCE**

Time is of the essence under in this Agreement.

22. **NO WAIVER**

The failure to enforce any provision or provisions of this Agreement at any time or for any period shall not constitute a waiver of any rights arising under such provisions.

23. **ASSIGNMENT**

23.1 The Master Account Holder consents to any assignment or novation by IBAU of any rights and obligations, wholly or individually, under this Agreement, and agrees that such assignment or novation may be effected at any time without the Master Account Holder's consent and without notice to the Master Account Holder.

23.2 The Master Account Holder may not assign or novate any of its rights or obligations under this Agreement without IBAU's express prior written consent.

24. **NO EXCLUSIVITY**

This Agreement is non-exclusive, and nothing herein prevents either party hereto from dealing with other customers, brokers or advisors.

PART B**ADDITIONAL TERMS FOR THE FAMILY OFFICE AND FAMILY MANAGEMENT MASTER ACCOUNT HOLDERS ONLY****25. INTRODUCTION**

The additional terms in this Part B apply to Master Account Holders that are operating the IBA Family Office – High Net Worth or Family Management Account types only.

26. ACKNOWLEDGEMENTS

26.1 The Master Account Holder acknowledges that the Family Office – High Net Worth or Family Management Account types ARE limited to [ten] (10) subsidiary accounts, unless additional accounts are permitted at the sole discretion of IBAU.

26.2 Notwithstanding clause 14 of this Agreement, the Master Account Holder acknowledges that no commission and or fees (as applicable) in respect of Orders or Transactions to the Account may be charged of the Subsidiary Accounts in any circumstances.

26.3 The Master Account Holder acknowledges that IBAU will not provide the Administrative Functionality to the Master Account Holder in respect of any Account, unless and until such time as:

- (a) The Master Account Holder has completed IBAU's account application to IBAU's satisfaction;
- (b) Each Subsidiary Account has made a request to IBAU to be a Subsidiary Account of the Master Account and completed IBAU's account application to IBAU's satisfaction;
- (c) Where any Subsidiary Account is opened by a natural person that is not the same person as the Master Account Holder, IBAU has received a duly completed Third Party Trading Authority to act on a Customer Account.

27. REPRESENTATIONS AND WARRANTIES

27.1 The Master Account Holder represents and warrants that,

- (a) In the case of the IBA Family Management Master Account, it is a natural person;
- (b) It is not licensed or authorised to provide financial services and does not need to hold an Australian Financial Services Licence or be authorised by AFS Licensee to provide financial services for the purposes of the arrangements contemplated in this Agreement;
- (c) It wishes to consolidate several accounts for which it is the legal owner, or acting on behalf of the legal owner, for administrative purposes only;
- (d) The Subsidiary Accounts are either accounts for which the Master Account Holder is the legal owner of the Subsidiary Account or where legal owner of the Subsidiary Account is an Immediate Family Member of the Master Account Holder;
- (e) Where the Master Account Holder acts on behalf of the legal account holder, the Master Account Holder is,
 - (i) in the case where the Subsidiary Account is a natural person, authorised to do so by an irrevocable power of attorney from the Subsidiary Account authorising the Master Account Holder to submit Orders (including disposing

and acquiring financial products) and enter into Transactions on behalf of the Subsidiary Account (whether such Transaction cause financial obligations to be incurred to IBAU or not) for the Account of the Subsidiary Account (without prior notice to the Subsidiary Account);

- (ii) in the case where the Subsidiary Account is a corporation, authorised, as either sole director or otherwise authorised by the corporation to submit Orders (including disposing and acquiring financial products) and enter into Transactions on behalf of the Subsidiary Account (whether such Transaction cause financial obligations to be incurred to IBAU or not) for the Subsidiary Account (without prior notice to the Subsidiary Account)
- (f) Each time the Master Account Holder submits an Order to IBAU or enters Transactions on behalf of a Subsidiary Account, it is acting as agent of the legal owner of Subsidiary Account unless it is legal owner of the Subsidiary Account in which case it transacts as principal for such Account.

PART C

ADDITIONAL TERMS FOR AFS LICENSEES ONLY

28. INTRODUCTION

The additional terms in this Part C apply only to Master Account Holders that are Licensees.

29. ACKNOWLEDGEMENTS

The Master Account Holder acknowledges that it is required to maintain an AFS License or such other qualification, registration or license acceptable to IBAU in a jurisdiction other than Australia, in order to legally provide the Intermediary Services to the Subsidiary Accounts. Failure to maintain the AFS License, and indeed all applicable authorisations on its AFS License, or such other qualification, registration or license acceptable to IBAU in a jurisdiction other than Australia, as required to lawfully provide the Intermediary Services to the Subsidiary Accounts, is an event of Default under this Agreement.

30. REPRESENTATIONS AND WARRANTIES

You represent and warrant that each time that you provide the Intermediary Services to Subsidiary Accounts, you maintain an AFS License such other qualification, registration or license acceptable to IBAU in a jurisdiction other than Australia, with all required authorisations to provide the Intermediary Services lawfully.

31. NOTICE

You must provide immediate written notice to IBAU if,

- (a) You cease to maintain a current AFS License, or
- (b) You cease to be authorised on your AFS License for any of the Intermediary Services.

PART D**ADDITIONAL TERMS FOR AUTHORISED REPRESENTATIVES OF AFS LICENSEES ONLY****32. INTRODUCTION**

The additional terms in this Part D apply only to Master Account Holders that have been appointed as an Authorised Representative by the Licensee under Division 5 of the Corporations Act, and includes any director, officer, agent, employee or representative thereof.

33. ACKNOWLEDGEMENTS

The Master Account Holder acknowledges that it is required to remain as an Authorised Representative of an AFS License in order to legally provide the Intermediary Services to the Subsidiary Accounts. Failure to remain as an Authorised Representative of an AFS License is an event of Default under this Agreement.

34. REPRESENTATIONS AND WARRANTIES

You represent and warrant the following each time that you provide the Intermediary Services to Subsidiary Accounts,

- (a) You are formally authorised by the Licensee to provide Intermediary Services on its behalf and pursuant to the AFS License of the Licensee.
- (b) You have the written consent of the Licensee to provide the Intermediary Services to the Subsidiary Accounts,
- (c) You are subject to the supervision of the Licensee and the Licensee is wholly responsible for your conduct at all times.

35. NOTICE

The Master Account Holder must provide immediate written notice to IBAU if, It or its directors, officers, employees, cease to be authorised by the Licensee to perform the Intermediary Services in respect of any Subsidiary Accounts,

36. PRIVACY AND INFORMATION

36.1 The Master Account Holder warrants that any documentation provided by it to IBAU regarding the Licensee is furnished to IBAU with the express written authority of the Licensee.

36.2 The Master Account Holder, acting for itself and on the authority of the Licensee, hereby authorise IBAU to use any information IBAU collects from, or such other relevant documents, to:

- (a) assess the Master Account Holder's request for IBAU to provide Services;
- (b) provide Services in accordance with this Agreement;
- (c) to allow IBAU to communicate with third parties in connection with the matters contemplated by this Agreement; and
- (e) to ensure that legal and regulatory requirements under Applicable Laws are met.

36.3 The Master Account Holder must notify IBAU in writing when any of the information about the Licensee or itself changes.

- 36.4 The Master Account Holder, acting for itself and on the authority of the Licensee, hereby authorise IBAU to disclose personal information to:
- (a) any Foreign Financial Market Participating, IBAU's Affiliates, whether in Australia or overseas;
 - (b) any clearing or settlement Participating responsible for the clearing or settlement of the Transactions;
 - (c) IBAU's service providers (including marketing companies, data consultants and IT contractors);
 - (d) IBAU's agents, contractors, and external advisers;
 - (e) government and other regulatory bodies and authorities whether in Australia or elsewhere;
 - (f) payment system operators;
 - (g) other financial institutions and credit providers;
 - (h) on a confidential basis, a prospective purchaser of, or investor in, IBAU or an Affiliate or all or part of the business of IBAU or an Affiliate; and
 - (i) any other relevant person to the extent required by Applicable Laws;
 - (j) either of the Licensee and Master Account Holder (as the case may be).
- 36.5 The Licensee and the Master Account Holder each have a right to access any personal information that IBAU holds about either. Sometimes there may be a reason why access will not be possible. If that is the case, the either the Licensee or the Master Account Holder will be told why. To find out what kinds of personal information IBAU may hold about, or to request access to any personal information, please contact IBAU.
- 36.6 The Licensee and the Master Account Holder each agree that their personal information can be used or disclosed by IBAU as contemplated in this Agreement. The Licensee and Master Account Holder each agree to take all reasonable steps to deliver information or documentation to IBAU, or cause information or documentation to be delivered to IBAU concerning Transactions which are requested by a person having a right to request such information or documentation. The Licensee and Master Account Holder each understand that if either the Licensee or the Master Account Holder do not provide any information requested by IBAU or do not agree to IBAU using the personal information as set out in this clause, IBAU may not be able to provide provides Services to the Subsidiary Accounts and / or the Administrative Functionalities to the Master Account Holder.
- 36.7 Both of the Licensee and the Master Account Holder each authorise IBAU to record any or all incoming and/or outgoing phone calls with IBAU without making a disclosure each and every time either of the Licensee and the Master Account Holder speak with a representative of IBAU. These calls may be recorded with or without an audible tone. The Licensee and the Master Account Holder each agree that IBAU may use such recordings for the purposes of monitoring compliance with any regulatory and contractual obligations, and resolving disputes. If there is a dispute, the Licensee and the Master Account Holder have the right to listen to any recording of those conversations. Nothing in this Agreement oblige IBAU to keep a recording longer than the minimum periods required by the Applicable Laws.
- 36.8 IBAU agrees to comply with its obligations under the *Privacy Act 1988* (Cth) as amended from time to time, to the extent that they are relevant to these Agreement.