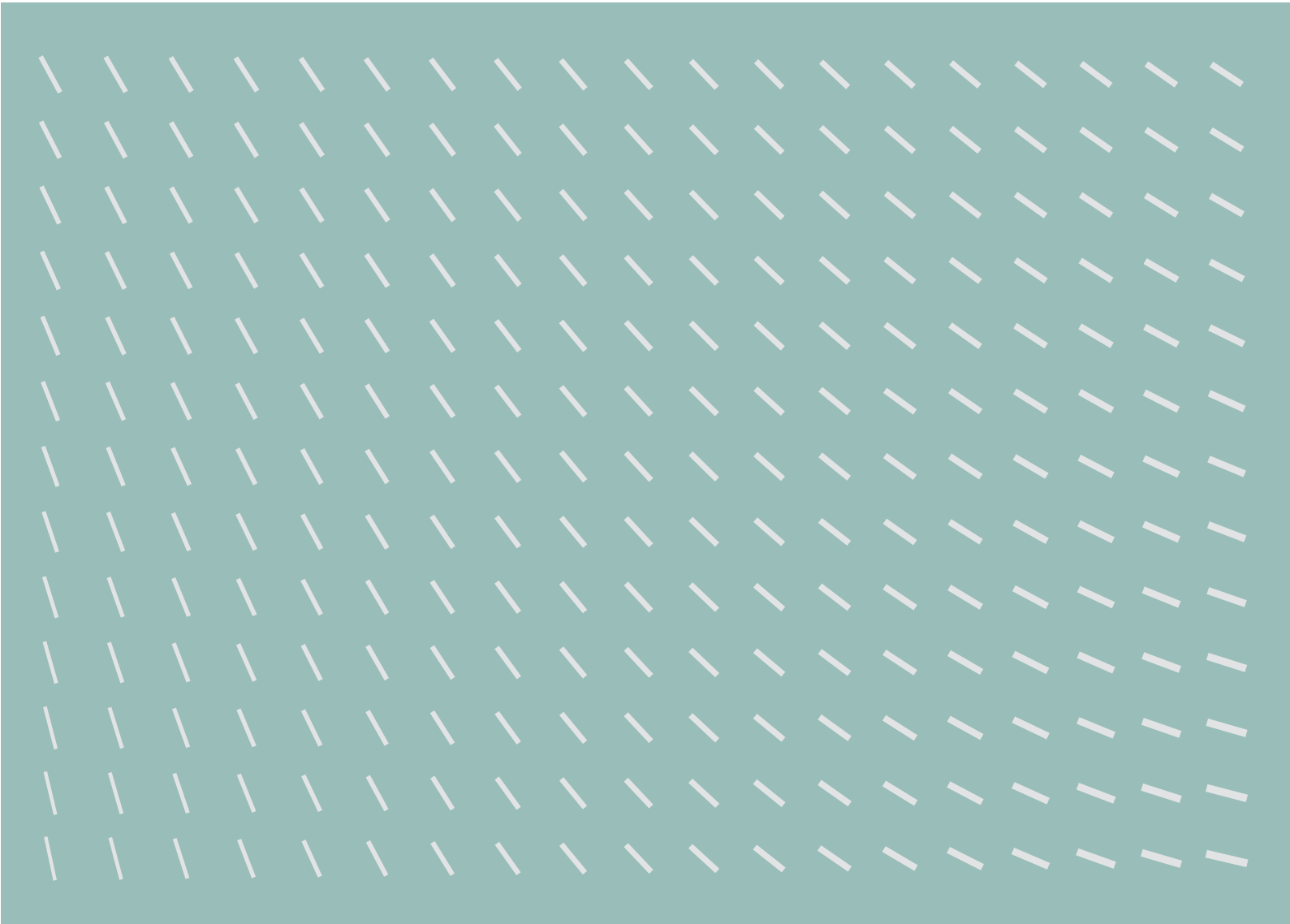




# Terms and Conditions

7 October 2019





# 05 Terms and Conditions

## Warnings

It is important that you read and understand these Terms and Conditions as they describe the obligations of both you and Hobson Wealth regarding the services we provide. Definitions for capitalised terms are set out at the back of this document. To properly understand the Terms and Conditions, you should refer to these definitions as you read through this document.

## Part A: General Terms and Conditions

### 1 General

- 1.1 These Terms and Conditions apply to any transaction, financial or otherwise, executed on your Account, or any services provided by Hobson Wealth.
- 1.2 You acknowledge that Hobson Wealth is neither obliged to accept you as a client, nor to provide you with any explanation for refusing your Account application where a decision is made to do so.
- 1.3 Hobson Wealth retains the right not to provide services or issue products to any applicant.
- 1.4 You acknowledge and agree that all Services we undertake on your behalf are subject to the Rules. Any action taken by Hobson Wealth, or omitted to be taken, to comply with the Rules will be regarded as being in accordance with these Terms and Conditions.
- 1.5 Additional terms and conditions not stated herein may apply to the specific products or services Hobson Wealth provides. Your Adviser will provide you with any such additional terms and conditions if applicable. In the event of a conflict, such additional terms and conditions will take precedence in respect of the products and services to which they apply.
- 1.6 You agree to cooperate with us in providing any information required by any Rule to be provided to a Regulatory Body.

### 2 Overview of services

- 2.1 Hobson Wealth agrees to give you investment advice, provide investment planning services and/or trading services when requested and arrange dealing and ancillary services to you as set out in these Terms and Conditions. These services will generally be available in respect of the following investments:
  - shares in New Zealand and foreign listed companies;
  - foreign currency exchange transactions on your behalf in order to meet your settlement requirements;
  - debenture stock, loan stock, notes, certificates of deposit, commercial paper or other debt instruments (including

government, public agency, municipal and corporate issues);

- warrants to subscribe for investments falling within the two categories above;
- unit trusts, superannuation products, group investment funds, managed investment products and similar schemes in New Zealand or elsewhere; and
- deposits at interest with any corporation or recognised banking institution.

- 2.2 Hobson Wealth may also arrange to provide additional services as agreed with you (such as share margin trading products). Further documentation requirements may apply regarding additional services.

### 3 Advice

- 3.1 We will use our best endeavours to ensure that we provide quality advice and carry out your instructions once received by Your Adviser.
- 3.2 You acknowledge that Your Adviser can only provide you with personal advice where they have a reasonable basis for doing so, having regard to your investment objectives, financial position and particular needs. Unless you specifically restrict the type of investment you want, Hobson Wealth may recommend any investment which is considered to fall within the applicable investment objectives.
- 3.3 In the event you decline to provide your investment objectives, financial situation and particular needs to Hobson Wealth, or you provide incorrect or false information, we will only be able to provide general (class) advice or execution only services.
- 3.4 You may periodically receive newsletters or other publications from us which may contain general (class) advice on specific financial products. You acknowledge that any general (class) advice will not take account of your financial situation, needs, goals, or tolerance for risk and that we recommend you obtain appropriate advice before making any investment decisions.

### 4 Risk warnings

- 4.1 You acknowledge that:
  - (a) there are risks associated with investing in Securities and other financial products, including but not limited to general market movements due to political, economic, taxation or legislative factors, movement of exchange rates, changes in trade or tariff policies, sector or company specific factors, suspension or restriction of securities trading, and disruption to trading facilities;

- (b) Security prices or yields and any income generated by Securities may vary, either up or down, as a result of the factors listed under (a) above, impacting on the Securities and the issuer of the Securities. Securities can decline in value, and the value of your investments may fall below the price you paid for them;
- (c) you may also not earn any income on your investments;
- (d) different financial instruments and markets give rise to different levels of risk. This is also the case for different types of trading such as trading in derivatives. Generally, the more volatile an asset is, the greater the likelihood of capital loss from investing in an asset; and
- (e) Hobson Wealth cannot and does not guarantee the performance or financial return on any investment made by you.

42 You also acknowledge that:

- (a) neither we nor any of our directors, officers, agents, and employees, guarantee repayment of any investment or the continued value of any investment in Securities or return from any investment in Securities made by you or the payment of any income in respect of any investment made by us on your behalf;
- (b) New Zealand and overseas taxes may affect the return on your investments. You are advised to obtain your own independent professional tax advice relevant to your own particular circumstances before investing or trading with us; and
- (c) different tax rules and consequences may apply to you depending upon your tax status, the nature of your investments, and the quantity and composition of your investments. It is your responsibility to be aware of and to monitor your tax status and how applicable tax rules apply to you and any transactions undertaken by you or on your behalf, whether in New Zealand or any other jurisdiction

## 5 Your commitments

- (d) You represent and warrant that:
- (e) you are and, at all times during your dealings with us, will be in a position to meet all commitments (financial and otherwise) on your part arising out of dealings with us or business conducted by us on your behalf;
- (f) an Insolvency Event has not occurred in relation to you;
- (g) you and all Authorised Persons are over the age of 18 years;
- (h) you and all Authorised Persons have full power, capacity and authority to enter into these Terms and Conditions and to exercise the rights and perform the obligations under these Terms and Conditions;
- (a) any information and documents you or your Authorised Persons provide to us are accurate, free of any misrepresentations, and do not contain omissions as to the material facts; and
- (i) you will not at any time use the Services provided to you to breach the provision of any of the Rules.

- (f) You acknowledge and agree that if more than one person constitutes the Client then each of those persons is jointly and severally liable under these Terms and Conditions. Unless otherwise specified in writing, all persons constituting the Client agree that we may act on the instructions of any one of the persons without the necessity to refer to or notify any other person in connection with those instructions.
- (g) You acknowledge and agree that where an Account is established in the name of a company:
- (h) any liabilities incurred on that Account will be deemed to be the responsibility of the company; and
- (i) the directors of the company may be held personally liable for the purposes of these Terms and Conditions where the directors act fraudulently, negligently, or with wilful misconduct, irrespective of whether the debts are incurred in the company name.

51 You acknowledge that where an Account is established in the name of a trust:

- (a) subject to clause 5.4(b) of this Part A, the liabilities and obligations of the trustee or trustees under these Terms and Conditions are limited to the extent these liabilities or obligations can be satisfied out of the property and funds coming into the hands of the trustees in the proper and normal course of their administration of the trust; and
- (j) if a trustee acts fraudulently, negligently, with wilful misconduct or in breach of trust with a result that the trustee's right of indemnity, exoneration or recoupment out of the trust property is reduced in whole or in part or does not exist, then to the extent that any cause of action, claim or loss arising under or in connection with the Terms and Conditions cannot be met because such right or the amount so recoverable is reduced or does not exist, the trustee is personally liable.

52 If requested, you agree to provide additional information and assistance and comply with all reasonable requests:

- (a) to facilitate Hobson Wealth's compliance with the Rules, internal policies and procedures; or
- (b) in connection with the application for a financial product submitted on your behalf.
- (k) You agree to notify us in writing of any change in the personal details that you have previously provided in connection with your dealings within ten (10) Business Days of such change occurring.

## 6 AML/CFT, FATCA and CRS

61 You must not knowingly do anything to put Hobson Wealth or HWCL in breach of the AML/CFT Laws, the FATCA Laws or the CRS, any sanctions or regulations under the United Nations Act 1946 or other legislation, or any equivalent law in other jurisdictions in which we perform the services on your Account, and/or their internal policies and procedures, and you agree to promptly notify Hobson Wealth if you are aware of anything that would put Hobson Wealth or HWCL in breach thereof (including where there has been a change to the information previously provided by you in that connection).



- 6.2** Promptly upon request, you agree to provide Hobson Wealth with such information and documentation, and to take such steps or actions, as Hobson Wealth reasonably requires (whether as part of the application process or otherwise), to ensure that Hobson Wealth and HWCL are able to comply with their obligations under the AML/ CFT Laws, the FATCA Laws, the CRS, any sanctions or regulations under the United Nations Act 1946 or other legislation, or their internal policies and procedures.
- 6.3** If requested, you agree to provide additional information and assistance and comply with all reasonable requests to facilitate Hobson Wealth's and HWCL's compliance with the AML/CFT Laws, the FATCA Laws, the CRS, any sanctions or regulations under the United Nations Act 1946 or other legislation, and/or their internal policies and procedures in New Zealand or in an equivalent overseas jurisdiction.
- 6.4** You represent and warrant that you are not aware of and have no reason to suspect that:
- (a)** the money used to fund any investment by you is derived from or related to any criminal or other illegal activities, money laundering, terrorism financing or similar activities (Illegal Activities); and
  - (b)** proceeds of any investment will fund Illegal Activities.
- 6.5** You acknowledge that Hobson Wealth and HWCL are subject to the AML/CFT Laws, the FATCA Laws and the CRS. In making an application, you consent to Hobson Wealth and HWCL disclosing in connection with the AML/CFT Laws, the FATCA Laws and the CRS, and/or their internal policies and procedures, any of your Personal Information (as defined in the New Zealand Privacy Act 1993) or Personal Information relating to another person connected with the Account.
- 6.6** You acknowledge that in certain circumstances we may be obliged to freeze, block or terminate an Account where it is used in connection with Illegal Activities or suspected Illegal Activities, or you decline to provide the information and documents required by us to meet our obligations under the AML/CFT Laws, the FATCA Laws or the CRS. Freezing or blocking can arise as a result of the account monitoring by us that is required by the AML/CFT Laws. If Hobson Wealth freezes, blocks or terminates your Account because it has reasonable grounds to believe that it is required to do so in order to comply with the AML/ CFT Laws, we are not liable to you for any consequences or losses resulting from doing so, and you agree to be liable for any losses, costs and expenses reasonably incurred by Hobson Wealth if found liable to a third party in connection with the freezing, blocking or terminating of your Account.
- 6.7** You agree to advise Hobson Wealth in writing and in a timely manner if there are any changes to your personal information, including:
- (a)** any change to your status under the FATCA Laws or the CRS status, or to the information previously provided by you in relation to the FATCA Laws or the CRS;
  - (b)** for an individual, any change of name (for example on marriage or by deed poll), or change of residential address;
  - (c)** for a company, any change of business name, change of shareholders (unless listed), or change of directors and/or secretary;
  - (d)** for a trust, any change of trustee, addition of a settlor, or addition of a beneficiary or class of beneficiary;
  - (e)** for a partnership, any change of partnership name, or change of partners; and
  - (f)** for other entities, any change of Beneficial Owners.
- 6.8** You agree, where the Account is established in the name of a discretionary trust, you will notify us when a beneficiary of that trust receives a distribution from that trust.
- 6.9** You agree that we may provide information about you (or another person associated with the Account) to Inland Revenue (who may pass this information onto other tax authorities) where such disclosure is or may be required in relation to the FATCA Laws or the CRS, and acknowledge that we are not liable to you or any person for any resulting consequence.
- 6.10** You agree that we may provide information about you (or another person associated with the Account) to a financial institution with which we have a relationship (such as our banks) if they request the information in relation to the fulfilment of their obligations under the FATCA Laws and the CRS, and acknowledge that we are not liable to you or any person for any resulting consequence.

## 7 Account holds

- 7.1** In addition to clause 6 of this Part A and clause 8.7 of Part B, any Account you open with Hobson Wealth may be placed on hold:
- (a)** upon the death of an Account holder until such time as Hobson Wealth receives the documentation necessary to ascertain the person(s) authorised to act on the Account;
  - (b)** upon the death of or removal of all existing Authorised Persons until such time as a new Authorised Person is duly appointed by you in accordance with clause 10 of this Part A;
  - (c)** where we have reasonable grounds to believe that there is a dispute as to ownership of funds held in the Account or on your behalf;
  - (d)** where we have reasonable grounds to believe that you have committed a civil or criminal offence in relation to funds held in the Account or on your behalf;
  - (e)** where we lack the information or documentation required by us to meet our regulatory obligations; or
  - (f)** where we are requested or instructed to do so by the police, a Regulatory Body or any other law enforcement body, until such matter is resolved.
- 7.2** Unless prohibited by applicable law, or requested not to do so by an enforcement authority or a Regulatory Body, we will notify you in writing if we exercise our rights under clause 7.1 of this Part A.

## 8 Fees and costs

- 8.1** You must pay all charges, fees, commissions and liabilities reasonably incurred by Hobson Wealth in relation to Services provided to You, on demand or as otherwise advised in the relevant invoice. Such charges, fees and commissions may be deducted from money payable to you by Hobson Wealth, from your Account.
- 8.2** You acknowledge that any such fees may include a margin amount, deducted from any interest to be paid to you in respect of your Account, resulting in an interest payment to you that may be less than the actual rate of interest. Any such margin, including the purpose for which the margin is taken, shall be disclosed to you in the relevant agreement or arrangements between you and Hobson Wealth in respect of the Services it provides to you.

## 9 Security

- 9.1** You acknowledge that if you become aware of any unauthorised instructions on your Account, you must contact us or your Hobson Wealth Adviser as a matter of urgency.
- 9.2** You acknowledge we are entitled to rely on any instruction, notice, communication or order placed on your Account which reasonably appears to have been placed by you or your Authorised Person or which otherwise appears to have been duly authorised by you.
- 9.3** Hobson Wealth will not be entitled to rely on an order placed on your Account if:
- (a)** you have previously advised Hobson Wealth that there has been or you suspect unauthorised activity on your Account; or
  - (b)** the order was fraudulently given by an employee of Hobson Wealth.
- 9.4** We may require you to comply with any reasonable security precautions. We may require verification from you as we consider necessary to comply with the New Zealand Financial Advisers Act 2008, the AML/CFT Laws, the Financial Transactions Reporting Act 1996, the United Nations Act 1946 and other relevant legislation. We may require you to provide a personal guarantee before we accept or action any instruction from you.

## 10 Authorised Persons

- 10.1** You may at any time by written notice to us remove a person as an Authorised Person or appoint a person as a replacement or additional Authorised Person.
- 10.2** The appointment of a person as an Authorised Person (whether the appointment is in your application for the establishment of an Account or by a written notice under clause 10.1 of this Part A) is not effective until we have received all documentation we reasonably require in relation to the appointment.

## 11 Limitations on Hobson Wealth liability

- 11.1** To the maximum extent permitted by law, Hobson Wealth is not liable to you for any Loss resulting from:

- (a)** any advice, act or omission by Hobson Wealth, HWCL or your Adviser in acting on any instruction or performing any obligations under these Terms and Conditions (including any Losses which may result from any delay or change in the market, before any particular instruction or transaction is effected), except to the extent that any such Losses are directly caused by our gross negligence, fraud or dishonesty;
- (b)** any acts or omissions of any Trading Participant appointed by Hobson Wealth, or the Custodian, where they act outside of the scope of our appointment with them or contrary to our instructions except to the extent the Loss is a direct result from Hobson Wealth's gross negligence, fraud or dishonesty;
- (c)** acknowledging that neither Hobson Wealth nor HWCL has control over these persons, any acts or omissions of any other agent, issuer, fund manager, clearing house or third party used in effecting any instruction except to the extent that any client Losses resulting from such acts or omissions are directly caused by our gross negligence, fraud or dishonesty; or
- (d)** any acts or omissions of an Authorised Person.

- 11.2** If services are acquired or held out as being acquired, for business purposes, you agree that the New Zealand Consumer Guarantees Act 1993 will not apply to the provision of such services.

## 12 Termination

- 12.1** Unless otherwise stated, either Hobson Wealth or you may terminate the arrangement under which Hobson Wealth provides services to you (including these Terms and Conditions) by giving not less than seven (7) Business Days' notice in writing or by mutual consent in writing.
- 12.2** Termination will become effective from the date specified in the notice and in accordance with this clause 12.
- 12.3** After termination, Hobson Wealth will not action any unexecuted orders.
- 12.4** In relation to such termination:
- (a)** the termination does not affect any rights or obligations that arose prior to termination including, without limitation, any rights or obligations relating to any transaction entered into or services provided prior to termination, and does not affect provisions that are expressed to survive termination;
  - (b)** you will have 14 Business Days from the issue of the notice given under clause 12.1 to provide a written instruction to Hobson Wealth to either:
    - (i)** transfer your holdings of investments to an account nominated by you (or an account held by your nominee);
    - (ii)** liquidate all of your holdings of investments on, or as soon as reasonably practicable after, termination of the relevant arrangement under which Hobson Wealth provides services to you;
  - (c)** in the event you have not instructed Hobson Wealth in accordance with sub-clause (b) above, you will be deemed to have given Hobson Wealth instructions to cause the liquidation of the investments held in

your Account as soon as reasonably practicable. Accordingly, Hobson Wealth will cause the net proceeds together with any monies held by Hobson Wealth or the Custodian on trust for you, less any fees, costs or expenses owed by you, to be transferred to an account nominated by you (or an account held by your nominee).

**12.5** For the period commencing on the date specified in the notice provided under clause 12.1 above as being the termination date, and ending on the date your investments are transferred or liquidated (in accordance with clauses 12.4(b) and (c) above), the investments in your Account will be placed on hold by us.

**12.6** The provisions of this clause 12 shall survive termination.

### 13 Jurisdiction

**13.1** You agree that the laws of New Zealand apply to these Terms and Conditions and you agree to submit to the non-exclusive jurisdiction of the New Zealand courts.

### 14 Assignment

**14.1** You acknowledge that your rights under these Terms and Conditions are incapable of being assigned (whether at law, in equity or otherwise) or made the subject of any encumbrance, trust or fiduciary obligation without our prior written consent, which consent may be withheld by Hobson Wealth acting reasonably. Any action which purports to do any of these things without Hobson Wealth's consent is void.

**14.2** Where such assignment does not materially prejudice your rights under these Terms and Conditions, Hobson Wealth may assign or otherwise deal with its rights under these Terms and Conditions without your consent, for legitimate business purposes including business reconstruction, amalgamation, sale or securitisation.

**14.3** Where such assignment may materially prejudice your rights under these Terms and Conditions, we may assign or otherwise deal with our rights under these Terms and Conditions only after providing you with at least ten (10) Business Days' written notice.

### 15 Changes

**15.1** We may vary these Terms and Conditions at any time subject to the following limitations:

**(a)** You will be notified in writing of any variations that could materially prejudice your rights and given an opportunity to terminate your account without penalty. Following a fourteen (14)-day period after a notice of any such variation was sent, you are deemed to accept the new terms and conditions at the time of your next transaction with us.

**(b)** Where a variation does not materially prejudice your rights, a notice will be provided either by being posted on our Website or by any other form of notice. Following a seven (7)-day period after a notice of any such variation was provided, you are deemed to accept the new terms and conditions at the time of your next transaction with us.

**(c)** Hard copy versions of the revised terms and conditions will be sent to you upon request.

**15.2** We may vary the charges payable by you by giving you at least thirty (30) days' written notice.

### 16 Privacy

**16.1** We collect personal information about you to:

**(a)** open, administer and operate an Account and/or a Client Funds Account;

**(b)** provide you with quality products or services;

**(c)** consider applications and approaches you make to us;

**(d)** maintain your contact details; and

**(e)** fulfil our obligations under the applicable laws and Rules, including under the AML/CFT Laws, the CRS or the FATCA Laws.

**16.2** The information will be collected by Hobson Wealth Partners Limited, PO Box 4349, Shortland Street, Auckland.

**16.3** You are entitled to access and may request corrections to any of your personal information supplied to and held by Hobson Wealth.

**16.4** You acknowledge and agree that if you are providing information on behalf of a third party that you are authorised to provide personal information on behalf of the third party and will provide evidence of this authority if requested (i.e. Power of Attorney).

**16.5** You consent to Hobson Wealth (and the Custodian where appropriate) using your personal information for the following purposes:

**(a)** assessing and processing your Account application;

**(b)** opening and operating the Account and/or the Client Funds Account;

**(c)** effecting transactions such as purchase and sale of Securities in your name and in connection with your investment in managed investment products (to the extent applicable) and providing related facilities and services, including any requirement to facilitate settlement;

**(d)** maintaining a register of holdings, or to correct information held by share registries or companies about you; and

**(e)** communicating with you about your Account application and any product or service we provide.

**16.6** You consent to us disclosing your personal information to:

**(a)** any external service providers in, or outside of, New Zealand, who provide services in connection with its products and services, including suppliers of administrative services (for example, mailing houses);

**(b)** market research companies to advise you of other products and services or conduct client surveys on our behalf;

**(c)** any platform provider appointed by Hobson Wealth (including for the purpose of the relevant custody services under Part C), any Trading Participant appointed by Hobson Wealth, the Custodian (and their appointee) or any other person (including without limitation, any agent of either the relevant Trading Participant or the Custodian, any financial

institution issuing deposits, external services providers, any market participant or any other person in relation to an initial public offering or issue of securities, and any trustee or manager of a managed fund and any Securities Registry) for the purposes of or in connection with the provision of any Services to you;

- (d) credit reference agencies or service providers to ensure your suitability as a Client and to obtain a personal credit and fraud check, or for purposes of electronic identity verification;
- (e) the Financial Markets Authority, NZX, CHO, CDO, an Australian Exchange, other Recognised Securities Exchanges, relevant law enforcement agencies and Regulatory Bodies as required under the Rules;
- (f) any bank, where required, for the purposes of setting up and administering your Client Funds Account;
- (g) any party proposing to acquire a controlling or material interest in a Hobson Wealth entity to the extent that such information is required for the transaction; or
- (h) any other party authorised by you.

## 17 Electronic Verification

- 17.1 Where you consented to electronic verification of your information, our service provider will only verify the details you provided to us and will not provide us with additional information on your credit history.
- 17.2 If we are unable to confirm the details you provided through electronic verification, we will contact you to require further information.
- 17.3 Your consent to electronic verification can be subsequently withdrawn by:
  - (a) requesting that the identity check currently in progress be cancelled;
  - (b) notifying us that you wish to withdraw electronic verification consent;
  - (c) ceasing to be a customer of Hobson Wealth; or
  - (d) automatically, 18-months after you last consented to electronic verification.

## 18 Complaints

- 18.1 Complaints can be directed to:  
The Compliance Manager  
Hobson Wealth Partners Limited  
PO Box 4349, Shortland Street  
Auckland 1140  
New Zealand  
Email: [newzealandcompliance@hobsonwealth.co.nz](mailto:newzealandcompliance@hobsonwealth.co.nz)

## 19 Severance

- 19.1 If any provision of these Terms and Conditions is invalid and not enforceable in accordance with its terms, other provisions which are self-sustaining and capable of separate enforcement without regard to the invalid provision are and will continue to be valid and enforceable in accordance with their terms.

## 20 Force majeure

- 20.1 You agree that Hobson Wealth (or HWCL) will not be liable for any Losses caused by or arising directly or indirectly from government restriction, exchange or market regulation, acts of God (including fire, earthquake, storm, hurricane or other natural disasters), suspension of trading, war, invasion, acts of foreign enemies, terrorist activities, cyber-crime, strike, equipment failure, the failure of an email communication to reach the intended recipient, communication line failure, system failure, security failure on the internet, unauthorised access, theft, any problem, technological or otherwise, that might prevent Hobson Wealth from performing its obligations under these Terms and Conditions, or any other conditions beyond its control.

## 21 Service of notices

- 21.1 Except as otherwise specified within these Terms and Conditions, all notices required or permitted to be given to or served on one party by the other must be in writing or capable of being printed or reduced to writing and must be:
  - (a) left at the address of the addressee set out in the Application Form (or such other address you subsequently notify us of);
  - (b) sent by prepaid ordinary post, or airmail if posted from outside New Zealand, to the postal address of the addressee set out in the Application Form; or
  - (c) sent by email to the email address of the recipient set out in the Application Form, or as may otherwise be notified by one party to the other in writing.
- 21.2 All notices required or permitted to be given to or served on us must be in writing sent by prepaid ordinary post or airmail if posted from outside New Zealand, to Hobson Wealth Partners New Zealand, PO Box 4349, Shortland Street, Auckland 1140, New Zealand.
- 21.3 Except as otherwise specified within these Terms and Conditions, you and we hereby agree that notice given or served under these Terms and Conditions will be deemed to be received:
  - (a) in the case of a posted letter, at 5pm on the third Business Day after posting unless posted from outside New Zealand, in which case it will be deemed to be received on the seventh Business Day after posting (except where a letter is an order instruction);
  - (b) in the case of an email (except where an email is an order instruction), at the time and date indicated on an email delivery receipt received by the computer from which the email was sent indicating that the email was received at the nominated email address of the recipient.
- 21.4 Any notice or other communication received by us or the Custodian after 5pm will be deemed to have been received at 9am on the next Business Day. We and the Custodian will use our best efforts to process such communications as soon as practicable after receipt.



## Part B: Trading

### 1 Your instructions and trading procedures

- 1.1** Hobson Wealth is authorised as an NZX Trading Participant and is subject to the NZX Participant Rules. As an NZX Trading Participant, Hobson Wealth will from time to time facilitate trades in the markets provided by NZX, including to give effect to trades for Clients. As a CSP, Hobson Wealth will also be responsible for clearing and settling those trades for Clients.
- 1.2** Hobson Wealth may also enter into arrangements with other Trading Participants overseas, for the purposes of facilitating trades in the markets provided by other Recognised Securities Exchanges. Hobson Wealth has entered into an arrangement with FinEx (an ASX Trading Participant), for the purpose of facilitating trades on an Australian Exchange. Under the terms of its arrangements with FinEx:
- (a)** Hobson Wealth may request FinEx to open an account for You, at your request, for the purpose of facilitating trades on the relevant exchanges offered by FinEx;
  - (b)** If (a) applies, Hobson Wealth is required to provide to You, prior to FinEx establishing an account, all FinEx client documentation and any document that is required to be provided to You as a result of FinEx's engagement of third-party clearing provider FinClear. This will include FinEx's Terms of Trade, which must be acknowledged and accepted by You;
  - (c)** FinEx will act on our instructions (as agent for You) in respect of an order, without reference to You. However, any such order must represent Your instructions and must be within the scope of a written authorisation from You;
  - (d)** FinEx has agreed with Hobson Wealth that it will arrange for FinClear to receive net payments from Hobson Wealth on the morning of each settlement date and/or pay to Hobson Wealth a net settlement amount in the afternoon of each settlement date; and
  - (e)** to the extent necessary, fees payable by us to FinEx in respect of the arrangements may be disclosed to You.
- 1.3** Hobson Wealth reserves the right not to accept orders in relation to certain Recognised Securities Exchanges or Securities. Where you wish to transact Securities on Recognised Securities Exchanges other than the NZX or an Australian Exchange, you agree that you must use the Custody service set out in Part C.
- 1.4** Instructions, including orders to buy or sell Securities or foreign currency, must be given to us by you, or your Authorised Person in one of the following ways:
- (a)** by telephone to Your Adviser;
  - (b)** by email to Your Adviser (please ensure you set up emails to generate a read receipt when opened by Your Adviser);
  - (c)** by letter to Your Adviser;
  - (d)** in person to Your Adviser; or
  - (e)** in such other manner as advised to you from time to time.
- 1.5** You acknowledge that instructions sent by electronic means and post, including instructions to place, cancel or amend orders, may experience delays either in being received or being executed. Orders sent by email or post will only be required to be actioned once they have actually been received and read by the relevant personnel at Hobson Wealth. Hobson Wealth will not be responsible for any delay in actioning an instruction if the relevant personnel have not unreasonably delayed opening the email or post after it is actually received.
- 1.6** You undertake to provide us with all information we reasonably require at the time of placing an order to deal with Securities, including the information needed to comply with the Rules.
- 1.7** You acknowledge and agree that it is your responsibility to ensure that all details relating to your instructions are accurate at the time of placing the order, including but not limited to the provision of your FIN, CSN, SRN, HIN or equivalent Security holder identification number, the name of the Securities, the volume of the Securities and the value of total order. In some circumstances we may also require your IRD number (if available), including for the purposes of applying for a CSN.
- 1.8** You acknowledge that all instructions to buy or sell Securities 'at market' or 'at limit' may be entered into the relevant exchange system in accordance with the order instructions required by the relevant exchange. We will use best endeavours when executing your 'at market' or 'at limit' order but cannot guarantee precise execution as to the price specified to you by us at order entry. You cannot claim any loss or damage in relation to any dispute arising from the price at which an 'at market' order is filled or in the case of an 'at limit' order where we complied with any limits you imposed. An 'at market' instruction may not be able to be completed in an illiquid market, or where completion of the order would cause a material change to the price or volume of the specific security.
- 1.9** You acknowledge that all orders placed with us outside our normal business hours, will not be actioned or processed by us until the following Business Day.
- 1.10** You acknowledge that, subject to clause 1.8 of this Part B, all orders placed with us outside the normal trading hours of an exchange may not be processed with that exchange until the following Trading Day for that exchange.
- 1.11** At the time of placing a sell order, sufficient Securities must be held by you to cover the order and your CSN and FIN for New Zealand orders, or your SRN or HIN for Australian orders, must be provided at the time of placing the sell order. On a daily basis the Trading Participant appointed by us (refer clause 1.2 above) will provide us with a list of holdings for each HIN.
- 1.12** If you wish to amend or cancel an order, you must do so by giving specific instructions to your Hobson Wealth Adviser (or an alternative Hobson Wealth representative) for the amendment or cancellation of that order. In the event that part of that order is filled prior to the amendment or cancellation instruction being effected, you will be liable to settle the partially filled order or liable for any fees incurred for non-settlement. Cancellation of orders is not guaranteed. Orders will only be cancelled for requests

received during trading hours on a Trading Day and matched up with the order before the order is executed. Cancellations are only confirmed when we have advised you.

- 1.13 You acknowledge that all buy orders will attract brokerage whether fully or partially completed and all sell orders will attract brokerage whether fully or partially completed.
- 1.14 We will use our best endeavours to give effect to your instructions once received by Your Adviser.
- 1.15 You acknowledge that delays may be experienced between you placing an order to sell Securities and the execution of that order, due to the need to verify the holding and the registration details of the holding prior to your order being entered into the relevant Recognised Securities Exchange system. We are not liable for any Loss that may result from delay caused by factors beyond Hobson Wealth's reasonable control. You will be liable for any costs incurred as a result of providing us with incorrect holding details.
- 1.16 You acknowledge that an instruction to trade in Securities is not deemed to be accepted until such time as it has been placed into the relevant trading system. You acknowledge that a Regulatory Body may withdraw an order. In the event that an order is rejected or withdrawn, for whatever reason, we will use our best endeavours to contact you.
- 1.17 Unless otherwise agreed, you acknowledge that Hobson Wealth will not act on a discretionary basis on your behalf, or for your benefit, under any circumstances.
- 1.18 You must not knowingly issue instructions to Hobson Wealth that will breach, or are likely to cause Hobson Wealth to breach, the Rules, including (without limitation) in relation to:
- (a) market manipulation, wash trading or matching of orders;
  - (b) insider trading and front running;
  - (c) the creation of a disorderly market;
  - (d) the integrity or efficiency of the market;
  - (e) short selling requirements; and
  - (f) misleading or deceptive conduct concerning dealings in Securities.
- 1.19 You agree that:
- (a) if there are any changes to the NZX Participant Rules and/or the C&S Rules which affect this Part B, the terms of this Part B will be deemed to have been altered to reflect those changes. We may advise you of such changes either directly or by posting the change or details of the change on our website or amending the contract note details that we provide you on the sale or purchase of any Securities; and
  - (b) to the extent that there are inconsistencies between this Part B and the NZX Participant Rules and/or the C&S Rules (whether arising because of amendment to those rules, or otherwise), the NZX Participant Rules and/or the C&S Rules (as the case may be) will prevail and will apply as if this Part B was consistent with the NZX Participant Rules and/or the C&S Rules (as the case may be).

## 2 Foreign currency exchange trades

- 21 You acknowledge that if you provide us with an instruction to buy or sell Securities on any international market, a foreign currency exchange trade to accompany the transaction will only be carried out following execution of that trade if you instruct us to do so or if you have made such an arrangement with Your Adviser.
- 22 Foreign exchange charges will be incurred on all transactions that require funds to be converted to or from another currency. For the purposes of conversion into or from one currency to another, the exchange rate used by us in the course of facilitating trades will likely be a midpoint rate with a currency conversion margin. Hobson Wealth may receive compensation from the currency conversion margin. The exchange rate or rates for a particular transaction will be those applicable at the time at which the foreign exchange order is entered into the trading system.
- 23 You acknowledge that Hobson Wealth will apply a margin to any foreign exchange transaction undertaken for you. Any such margin, including the purpose for which the margin is taken, shall be disclosed to you prior to executing a foreign currency exchange trade.
- 24 You acknowledge that you will bear the cost of any variation in currency prices on each side of a foreign currency exchange trade and that foreign currency exchange trades carry risk. You should acquaint yourself with such risks prior to requesting a foreign currency exchange trade.

## 3 Confirmation of executions

- 31 Following successful execution of an order, a contract note will be issued relating to the Securities bought or sold in your name and the contract note will be forwarded to you in the format selected by you in the Application Form or subsequently advised to us.
- 32 In circumstances where an order is partially filled over more than one Trading Day, you will be issued a contract note at the end of each Trading Day which will relate to the transaction(s) executed on that Trading Day.
- 33 You acknowledge that all orders, including application monies on rights transactions, will attract brokerage whether fully or partially completed.
- 34 You acknowledge that at any time, a contract note may be reissued in order to correct any errors or omissions, and these Terms and Conditions, after the necessary changes have been made, will be binding with respect to the reissued contract note.
- 35 You agree to notify us of any errors or omissions on a contract note within 48 hours of receipt of the contract note. You will be deemed to accept the terms of the contract note should you fail to notify us of any errors or omissions within 48 hours of receipt provided that such error or omission is not a direct result of Hobson Wealth's gross negligence, fraud or dishonesty.

## 4 Discretions

- 41 We may decline to act on instructions given to us by you or your Authorised Person or generally prohibit or restrict you or your Authorised Person from trading in or from your Account(s) where we have reasonable grounds to believe that:
- (a) the instructions are not clear and complete;
  - (b) the instructions do not meet all trade requirements set by Hobson Wealth, any other Trading Participant appointed by us or any applicable regulatory exchange from time to time;
  - (c) the original instruction has gone stale as it was given more than four weeks before for Securities traded on the NZX, three weeks for orders on an Australian Exchange, or such other periods as may be applicable for Securities traded on another Recognised Securities Exchange;
  - (d) you do not have sufficient relevant Securities or funds in your nominated settlement account or Client Funds Account (as defined in clause 10.1 of this Part B) to settle the transaction, or you have money outstanding on your Account;
  - (e) trading in the relevant Securities has been suspended or halted for any reason whatsoever and you have not reconfirmed instructions;
  - (f) Hobson Wealth and/or any other Trading Participant appointed by us is of the reasonable view that placement of your order or execution of your instruction is likely to:
    - i. contribute to a breach of the Rules;
    - ii. be unethical or be reasonably likely to negatively impact on Hobson Wealth and/or the Trading Participant's reputation and integrity within the market;
    - iii. create a disorderly market in the Securities;
    - iv. be outside the scope of Your Adviser's authority or agreed scope of service; or
    - v. exceed a trading limit;
  - (g) the instruction is a "stop loss" instruction;
  - (h) the order type is subject to other requirements, and those requirements have not been satisfied, for example, in the case of employee share option plans;
  - (i) the order would require us to act as principal; or
  - (j) we may reasonably need to protect our interest (for example to manage potential conflicts of interest or protect against reputational risk).
- 42 Hobson Wealth or a Trading Participant may, in its absolute discretion, amend or cancel any transaction executed, if Hobson Wealth and/or the Trading Participant has reasonable grounds to believe that the transaction:
- (a) appears to have been executed in error;
  - (b) breaches the Rules; or
  - (c) negatively impacts or interferes with the integrity or orderly nature of the market in any way.
- 43 You acknowledge and agree that you are not able to claim any compensation from us in relation to any circumstances

described in clauses 4.1 and 4.2 of this Part B even if you receive a contract note relating to the cancelled transaction.

- 44 Subject to the Rules, orders may be purged from the trading system of the relevant Recognised Securities Exchange without notice to you including, without limitation, where:
- (a) an order expires;
  - (b) a stock is quoted "Ex" (as defined by the Rules of the relevant exchange) for the purpose of determining an entitlement to shares, an offer to shareholders, a distribution payment or for any other reason;
  - (c) the price at which an order is entered is deemed to be too far from the prevailing market price;
  - (d) the security has been removed from the relevant exchange; or
  - (e) the relevant exchange determines the order should be purged for any reason whatsoever.
- 45 With the exception of orders for International Securities, you acknowledge and agree that orders purged from the exchange will not be re-entered into the trading system without further instruction from you. Orders for International Securities may be re-entered in accordance with prior arrangement with Your Adviser.
- 46 You acknowledge that in the event of your death or you becoming otherwise incapable of receiving and paying for or delivering or transferring Securities which you have ordered to be bought or sold, if, after reasonable enquiry, we have no knowledge of anyone legally authorised to complete such purchases or sales on your behalf, we are entitled to arrange, with the approval of NZX or other relevant exchange, to resell or repurchase, or cause to be resold or repurchased (as the case may be) any outstanding Securities and you or your estate shall be entitled to any surplus, which may result, and be liable for any deficiency.

## 5 Allocation policy

- 51 We will attend to instructions and orders from Clients to purchase or sell Securities in the order in which they are received and entered into our trading system. On some occasions Securities purchased on your behalf may be transferred into a pool account prior to being allocated to your Account. In such cases, Securities are allocated at our discretion, or at the discretion of any Trading Participant appointed by us, having regard to:
- (a) our (and the Trading Participant's) overriding obligation to act in the best interests of our (and the Trading Participant's) clients;
  - (b) the size of each order comparative to any other orders;
  - (c) the nature of the instructions or discretion given to the relevant Trading Participant;
  - (d) the time each order was received;
  - (e) the nature of the market for the securities to be allocated (particularly volume and price volatility); and
  - (f) such other relevant factors as we and/or our Trading Participant may consider appropriate at the time.

## 6 Bringing orders to market

**6.1** Unless you instruct otherwise, you agree that we may put your orders to market in such manner as is considered appropriate having exercised this discretion with care. This means we may:

- (a)** accumulate or bundle orders coming to market;
- (b)** delay executing client orders; or
- (c)** delay orders to satisfy crossings.

At any time, you may give us an instruction in relation to a particular order or generally as to how you wish your order(s) to be implemented.

## 7 Clearing and settlement of trades – NZX

**7.1** Hobson Wealth is a Trading Participant for the purposes of trading and settlement of trades carried out on the NZX. As a CSP, Hobson Wealth will also carry out the clearing and settlement of trades you place through us in accordance with the C&S Rules and the Depository Rules.

**7.2** Under the C&S Rules:

- (a)** the Clearing and Settlement Terms of each trade will be novated in accordance with the C&S Rules with the effect that we, as CSP, will become principal in the resulting relevant settlement transaction and take on all of the Clearing and Settlement Terms for that settlement transaction; and
- (b)** you agree to this novation pursuant to, and on the terms and conditions provided for under the C&S Rules to the full extent required by law.

**7.3** Your rights and obligations in relation to the clearing and settlement of a relevant settlement transaction will be limited to any rights against, or any obligations to, Hobson Wealth and you will not have any rights against, or obligations to, CHO in relation to the clearing and settlement of the relevant settlement transaction.

**7.4** The liability of CHO, CDO, the Depository Nominee, New Zealand Clearing and Depository Corporation Limited and NZX to any person (including the Client) is limited or excluded by, and is subject to, the provisions of Section 8 of the C&S Rules and Section 9 of the Depository Rules.

**7.5** You grant Hobson Wealth at all times, full and exclusive rights, power and authority to bind you under the C&S Rules and to authorise the application of your Client Assets in accordance with Rule 18.10 of the NZX Participant Rules.

**7.6** You may not assert against CDO or the depository Nominee or any person acting on behalf of CDO or the Depository Nominee (or both of them), any proprietary, equitable, contingent, future or partial interest in any funds or securities held in a Settlement Account or a Depository Account.

**7.7** For the purposes of trading and settlement, Hobson Wealth's contact details are:

Level 17 Lumley Centre  
88 Shortland Street  
Auckland 1010 New Zealand  
+64 9 363 8700

## 8 Settlement obligations

**8.1** Full payment for all buy orders must be deposited in your custody account held through Hobson Wealth, by no later than midday on the second Business Day after the date of the contract note. Payment may be made by direct credit to a Client Funds Account (as defined in clause 10.1 of this Part B), be set off from your Client Funds Account, by cheque, or be from an alternative nominated bank account by way of direct debit if authorised by us.

**8.2** You acknowledge and agree that where you opt to make settlement payments by cheque:

- (a)** we are not required to act on your instructions until the cheque has cleared; and
- (b)** the settlement may be delayed while we await confirmation that the funds have cleared.

**8.3** Payment of application monies for new issues, initial public offers or placements must be made by the date specified in the terms of the applicable issue, offer or placement. Late settlement may attract a late charge to cover any associated reasonable costs to us, which will be debited to your Client Funds Account, or may result in your application not being submitted.

**8.4** Sale proceeds will not be released to you or be available to cover purchases until your CSN and FIN, or HIN and SRN, have been validated (for stocks listed on a Securities Registry) or until completed transfers and share certificates have been returned and processed (for stocks not listed on a Securities Registry).

**8.5** Sale proceeds may be direct credited to a nominated bank account in your name, be set off against a debit balance in your Client Funds Account, or paid to you by cheque. Payment of sale proceeds or the release of other funds belonging to you will not be made to any party other than you. In limited circumstances, we may release funds to a third party with your prior written authority and subject to the Rules and our internal policies and procedures.

**8.6** In order to change the bank account to which any amount payable to you is paid, you must provide written instructions, signed by you, and verification of your bank account details in a manner acceptable to Hobson Wealth and which complies with the NZX Participant Rules and C&S Rules. This will ordinarily require you to provide a certified copy of a bank encoded deposit slip, bank statement or other notice of confirmation issued by the relevant bank verifying the account holder and account number as written confirmation of the bank account for payment of monies owing to you.

**8.7** We reserve the right to offset buy and sell trades undertaken on your behalf before settlement with you.

**8.8** We may suspend or limit your activity on your Account where any amounts are overdue for payment.

**8.9** Payment must be made in the currency of the market in which the transaction takes place, unless otherwise agreed.

## 9 Failure to settle

- 9.1** You are liable for any Losses reasonably incurred by Hobson Wealth as a result of your failure to provide payment in full in respect of purchases by the due settlement date, including without limitation NZX, an Australian Exchange or any other Recognised Securities Exchange fees and interest charges on the outstanding monies calculated from the settlement date. However, Hobson Wealth remains liable for any Losses caused by its own gross negligence, fraud or dishonesty.
- 9.2** You are liable for any Losses reasonably incurred by Hobson Wealth, including without limitation NZX, an Australian Exchange or any other Recognised Securities Exchange fees and stock borrowing fees, as a result of your failure to make good delivery in respect of sales by the due settlement date. However, Hobson Wealth remains liable for any Losses caused by its own gross negligence, fraud or dishonesty.
- 9.3** In the event that you fail to complete a contract or a portion of a contract, or to settle a transaction in accordance with its terms, we may, acting in accordance with the Rules and after making a demand on you, which you have not met, arrange to sell or purchase sufficient Securities, the subject of the contract, to satisfy your settlement obligations, at your risk and expense, including GST and brokerage.
- 9.4** We reserve the right to convert any foreign currency holdings to New Zealand dollars in order to pay any debts owing to us by you. The cost of any such conversion and any additional fees will also be deducted from your funds.
- 9.5** If you fail to supply your CSN, FIN, HIN, SRN or equivalent Security holder number (as applicable) at the time of issuing your instructions to place an order, Hobson Wealth may charge you:
- (a)** a fee which is a reasonable estimate of our administrative costs;
  - (b)** any Recognised Securities Exchange fail fees; and
  - (c)** other fees we reasonably incur which directly arise from your failure to supply your CSN, FIN, HIN, SRN, or equivalent Security holder number.

## 10 Client funds accounts and settlement payments

- 10.1** Hobson Wealth will open and maintain one or more separate Client funds accounts for our trading Clients (each a Client Funds Account), with a bank designated by us. The NZX Participant Rules and the Financial Advisers Act 2008 regulate the operation of the Client Funds Accounts.
- 10.2** We will ensure:
- (a)** that any money properly received from you for Securities purchased or to be purchased is paid directly into the Client Funds Accounts immediately upon receipt;
  - (b)** that any amount required to be paid into a Client Funds Account that relates to a transaction settled on the clearing house operated by CHO on behalf of a Client shall be paid into the Client Funds Account as

soon as possible following the date of receipt of those funds by Hobson Wealth;

- (c)** that all amounts required to be paid into a Client Funds Account pursuant to clause (b) above, but which are received by Hobson Wealth after the bank's trading hours, shall be paid into the Client Funds Account as soon as possible on the 1st Business Day following the date of receipt of those funds;
  - (d)** that your Client Assets are held on trust directly for you at all times; or
  - (e)** that if your Client Assets cannot be held on trust directly for you, your Client Assets are held on trust for Hobson Wealth at all times, in which case we will hold our beneficial interest in your Client Assets on trust for you at all times.
- 10.3** We will ensure that your Client Assets are protected from the time of receipt of those funds until:
- (a)** you have received clear funds from us;
  - (b)** legal title to the Securities has been registered in your name on the relevant Issuer's Securities Register; or
  - (c)** if you have given us an order to purchase Securities, your Client funds equal to the amount payable by you in relation to that order will be held in our Money Settlement Account (for the clearing and settlement of that purchase in accordance with the Rules).
- 10.4** You authorise us to deal with money or Securities held on your behalf through us (or for us to authorise a Trading Participant to deal with money or Securities held on your behalf through us) in order to:
- (a)** reimburse us and/or a Trading Participant for any amount paid by us in settling the purchase of Securities for your Account including transfer to an account operated by a Recognised Securities Exchange to effect settlements;
  - (b)** make payment to you in respect of sale of Securities;
  - (c)** make payment to you of funds held on your behalf in the Client Funds Account; or
  - (d)** make payment to, or reimburse Hobson Wealth for brokerage or any other charge payable by you to Hobson Wealth under these Terms and Conditions (including any default interest, late payment charge or penalty charge).

Without limiting the above, you appoint us or anyone appointed by us and each of their duly authorised officers or attorneys severally to be your authorised agent and in your name or otherwise and at your expense to complete, execute and otherwise perfect all agreements and documents and generally to do all other things which we consider reasonably necessary or expedient to:

- (a)** secure payment of all moneys owing to us;
- (b)** comply with any legal requirements or the requirements of any Recognised Securities Exchange; and
- (c)** anything incidental to those matters. In addition, and if requested by us, you agree to sign a power of attorney to give effect to the intentions evidenced by this clause 10.4.



- 10.5** We are not able to make payments to you in cash. Payments will only be made:
- (a)** directly to a bank account in your name; or
  - (b)** by means of a non-transferrable cheque made out in your name.
- 10.6** In connection with the settlements, you may also authorise us to direct credit into or withdraw funds from your nominated bank account by completing the relevant direct debit application form.
- 10.7** You will be liable for any fees incurred due to the failure of a direct debit transaction.
- 10.8** You acknowledge and agree that the Client Funds Accounts (CFA) are non-interest bearing and that no interest will be earned by you on the funds held in the CFA.
- 10.9** If Hobson Wealth ceases to carry on business as a market participant (for the purposes of the NZX Participant Rules) and we are unable to honour our Outstanding Obligations, all Client Assets will be held as a pool of unallocated assets for Clients to whom we have Outstanding Obligations. The applicable Securities will be sold and the proceeds, together with funds in our Client Funds Accounts, shall be paid to Clients pro-rata in relation to the amount owing by us to our Clients.

## 11 FIN

- 11.1** In relation to NZX trading, you authorise Hobson Wealth to retain a record of your FIN for the purpose of settling sell transactions effected by you and to ensure transfers have been correctly made into your CSN. Your FIN will be stored by Hobson Wealth in an encrypted form in the platform utilised by Hobson Wealth. You acknowledge that by retaining a record of your FIN, Hobson Wealth will have unlimited access to your Securities and that in the unlikely event that unauthorised use or access of your FIN does occur, there is a risk that your Securities may be transferred out of your name without your authority. In this regard, Hobson Wealth undertakes to you that it will at all times use reasonable endeavours to protect your FIN from unauthorised use and/or access where it is held by Hobson Wealth and also undertakes to you that it will procure that any platform provider appointed by Hobson Wealth will undertake to you that your FIN will only be stored in encrypted form and that the platform provider will at all times protect your FIN against unauthorised use and/or access.
- 11.2** We may require completed transfers and scrip for transactions regarding stocks not listed on Securities Registry prior to placing the order.

## 12 Principal trading

- 12.1** You acknowledge that:
- (a)** Hobson Wealth and its related bodies corporate may deal in Securities on a Recognised Securities Exchange as principal; and
  - (b)** in certain circumstances permitted under the relevant legislation and the Rules, Hobson Wealth and its related bodies corporate may (either acting for another Client or on its own account) enter into the opposite position in a Securities transaction with you, as principal.
- 12.2** You consent to Hobson Wealth and its related bodies corporate entering into such a transaction with you.

## 13 Additional Limitations on Hobson Wealth Liability

- 13.1** You agree that Hobson Wealth is not liable for any financial consequence or inconvenience arising from circumstances where:
- (a)** Hobson Wealth and/or any Trading Participant appointed by us uses its discretion to cancel a transaction or refuses to accept an instruction from you in accordance with these Terms and Conditions; or
  - (b)** the NZX, an Australian Exchange, or any other market operator or regulator uses its power to amend or cancel a transaction.
- 13.2** You acknowledge that we are not liable for any Losses you incur as a result of a currency conversion undertaken on your behalf in order to meet your settlement requirements for foreign Securities orders, other than in circumstances where such Losses directly result from Hobson Wealth's gross negligence, fraud or dishonesty.

## Part C: Custody Services: Hobson Portfolio Service and International Custody

### 1 Appointment of Custodian

- 1.1 Where you select the Hobson Portfolio Service, or wish to invest in International Securities, Hobson Wealth will at all times appoint one or more custodians for those securities. For this purpose, Hobson Wealth has appointed the Custodian as bare trustee for both the International Custody service and the Hobson Portfolio Service. You acknowledge and agree to that appointment.
- 1.2 The Custodian may at its discretion appoint one or more sub custodians for the provision of these services. See clause 5 below.
- 1.3 The Custodian may, in its sole discretion, refuse to accept delivery of any Security in which case it must advise you of that refusal.
- 1.4 As against the Custodian, you are entitled to the Securities, subject to the Custodian having a lien over the Securities to secure any expenses or outlays incurred or paid by the Custodian in accordance with the provisions of these Terms and Conditions, but excluding any unpaid Custodian fees.

1.5 You acknowledge that Securities and monies held in custody may be held as follows:

- (a) by a sub custodian appointed by the Custodian or a nominee company controlled by a sub custodian appointed by the Custodian; or
- (b) in an omnibus or pooled account.

1.6 The appointment of a custodian in this Part C does not apply to such other services as may be provided by Hobson Wealth from time to time (except to the extent provided in these Terms and Conditions), including, for example, in respect of any financial advice and/or investment planning services Hobson Wealth may provide in respect of interests in a managed investment scheme (wherein the assets in a managed investment scheme may be held by an independent custodian for the relevant scheme).

### 2 Custodian to act as agent

2.1 The Custodian will act as agent for you for the following purposes:

- (a) to accept Documents deposited with the Custodian on your behalf and any Documents deposited will be held by the Custodian at your risk;
- (b) to register Securities transferred to you in the Custodian's name, or in the name of a nominee of the Custodian, as Bare Trustee for and on your behalf; and
- (c) to acquire, dispose of and deal with the Documents and the Securities and any derivatives of either of them and to undertake corporate actions in relation to the Documents and Securities including (but not limited to):
  - i) acting on bonus, rights and other issues or offers; and
  - ii) depending on the service you have selected, as specified in the table below:

	Hobson Portfolio service	International Custody service
	(Sub custodian: ICSL (see Part C, clause 5))	(Sub custodian: BNP (see Part C, clause 5))
<b>Proxies and voting</b>	<ul style="list-style-type: none"> <li>— Executing proxy forms and exercising any voting rights.</li> <li>— Attending and voting at meetings, in each case as instructed by you pursuant to clause 6.4 of this Part C, unless such instructions are in conflict with applicable law or regulations or local market practice in which case the Custodian will immediately inform you in writing.</li> </ul>	<ul style="list-style-type: none"> <li>— Providing proper instructions to the provider of proxy voting services (Provider) appointed by the sub custodian for the purpose of exercising any vote in connection with the Custody Securities.</li> <li>In this respect, the sub custodian is required to use reasonable endeavours to ensure the Provider informs the Custodian (and/or seeks proper instructions from the Custodian) on a timely basis in respect of any voting rights information communicated to the Provider in respect of the Custody Securities.</li> <li>— As such, the Custodian will use reasonable endeavours to keep you informed of certain important events that affect the Custody Securities subject to the Custodian having received prior notice of such events from the sub custodian.</li> </ul>

## Corporate Actions

- If requested, to provide additional services for notification of corporate actions, requests for instructions and proxy voting service
- Providing proper instructions to the sub custodian for the purpose of instructing the sub custodian to exercise any right or power in connection with the Custody Securities.  
In this respect, the sub custodian is required to use reasonable endeavours to inform the Custodian and/or seek proper instructions from the Custodian, on a timely basis, in respect of any corporate actions (including, for example, in respect of any announcement, offer, issue, bonus, any takeover offer, buy back or redemption, among other things).
- As such, the Custodian will use reasonable endeavours to keep you informed of any corporate actions information that may be derived from the Custody Securities, subject to the Custodian having received prior notice of such events from the sub custodian.
- The Custodian will act in accordance with your instructions with respect to any corporate action that requires an election to be made by you, provided the Custodian receives instructions from you in a timely manner, and the relevant Securities are in your account with the sub custodian.

## Dividends and Income

- To receive, collect, hold, deal with and disburse, subject to the provisions of this Part C, as Bare Trustee for and on your behalf, all income, entitlements and payments (of any nature whatsoever) in respect of the Securities and, in the absence of any specific instructions given by you, to take any action which the Custodian considers to be necessary in connection with the receipt of such entitlements and payments (including signing and delivering any necessary documents or authorisations).
- To do such other things as the Custodian considers necessary, after taking reasonable steps to consult with you, in order to give effect to the provisions of this Part C.
- The sub custodian will receive and collect all income in relation to the assets of the Custodian (acting in its capacity as trustee of a Client) (including, among other things, all interest, dividends, bonuses, proceeds of sale, non-cash dividends or distributions and other payments or entitlements) on a timely basis. All income will be credited to the Client's cash account with the sub custodian.
- Cash may be pooled with cash property of other clients of the sub custodian (or any nominee or sub-sub custodian of the sub custodian) in an omnibus cash account. However where this will be the case, your entitlement to cash will be recorded in the books of the sub custodian.

## Foreign Currency Accounts and Foreign Exchange

- The Custodian will not be required to execute any instructions given to it by you under this Part C in relation to foreign exchange trading unless and until the Custodian receives, in a form and content acceptable to it, a trade confirmation from the applicable foreign exchange counterparty.
- The Custodian may establish a foreign currency account for you and will act on your instructions for the movement of funds between currencies.
- Upon receipt of proper instructions, the sub custodian may enter into foreign exchange transactions on the Custodian's behalf (acting as trustee for you) in connection with the settlement of any transaction. Foreign exchange transactions may include:
  - (a) On Demand Foreign Exchange Transactions (including spot, forward, swap and non-deliverable forward foreign exchange transactions). Separate terms will apply where this is the case; or
  - (b) Foreign exchange transactions carried out under the sub custodian's Global Custody Auto Foreign Exchange Services. The Custodian (acting as trustee for you) shall be required to provide proper instructions to the sub custodian from time to time for this service.





- 22** You authorise the Custodian to execute such certificates of ownership, affidavits, declarations or other certificates as the Custodian may be obliged to do under and pursuant to applicable law in connection with any Custody Securities or as may be reasonably necessary (in the Custodian's opinion) in connection with any Custody Securities or the provision of the custody services.
- 23** You authorise the Custodian in relation to any Custody Securities, without any need for further express instructions, to:
- (a)** surrender Custody Securities in temporary form for Custody Securities in definitive form;
  - (b)** endorse for collection cheques, drafts and other negotiable instruments; and
  - (c)** in general attend to all non discretionary details in connection with the sale, exchange, substitution, purchase, transfer and other dealings with the Custody Securities.

### 3 Risk warning

- 31** You acknowledge that:
- (a)** corporate actions may be cancelled or reversed by an issuer (in some cases after considerable time has passed since the corporate action), and you may be liable to return Securities or repay monies received in connection with any such cancelled or reversed corporate action; and
  - (b)** Custody Securities may be held in a pooled or omnibus account and in certain circumstances, this can mean that you may not benefit from certain corporate actions to the same extent that you might have benefited had the Custody Securities been registered in a separate parcel; for example, a rights issues where each separately registered shareholder has an equal right to participate, regardless of the total number of shares held by each shareholder.

### 4 Custodian's responsibilities and rights

- 41** In exercising its powers and performing its obligations as set out in this Part C, the Custodian will:
- (a)** exercise due care in respect of custody of the Documents and Securities;
  - (b)** not be obliged to supervise your investments generally or advise on them;
  - (c)** not be liable for any damage, loss, cost or expense arising from
    - (i)** an act or omission of any other person not being an employee, servant or agent of the Custodian (although, if within the Custodian's power, the Custodian will provide reasonable assistance to you to seek reimbursement or compensation from such other persons) or
    - (ii)** from any electronic or mechanical fault or
    - (iii)** for any act or omission arising from (or notwithstanding) compliance by the Custodian with the Rules, any law or customary market practices; and

- (d)** not be liable to you for earnings foregone on monies held for you by the Custodian, except to the extent that the Custodian fails to obey your express and reasonable written instructions.

**42** Notwithstanding the fact that legal title to the Securities is held by the Custodian, any rights which attach to the ownership of those Securities may only be exercised by the Custodian on and in accordance with your instructions pursuant to clause 6.4 of this Part C.

**43** Neither an issuer of the underlying Securities (Issuer), trustee of the underlying Securities (where applicable) (Trustees), nor any person appointed pursuant to clause 5.1 of this Part C, has caused the issue of, or endorses or is in any way responsible for, any information provided by the Custodian (other than, in respect of the Issuer and Trustees, investment disclosure material relating to the Securities).

**44** You acknowledge and agree that an investment in the Securities does not represent either a deposit with or liability of the Issuer or the Trustees, and neither an Issuer, a Trustee, any person appointed pursuant to clause 5.1 of this Part C, nor their respective subsidiaries or related companies, guarantee the repayment of capital, payment of income or the performance of the Securities except as set out in the relevant investment disclosure.

### 5 Appointment of agent by Custodian

**51** Subject to its compliance with all Rules, you acknowledge that the Custodian may arrange for, or appoint, or delegate to, any other person to act on its behalf in respect of the obligations of the Custodian set out in this Part C. At the date of these Terms and Conditions, the sub custodians intended to be appointed by the Custodian are Investment Custodial Services Limited (ICSL) and BNP. In general terms if you select the Hobson Portfolio Service then we will select ICSL to be the sub custodian for that service. If you select the International Custody Service then we will select BNP to be the sub custodian for that service.

**52** The arrangement or appointment of another person under clause 5.1 of this Part C will be on terms which the Custodian, in its absolute discretion, considers appropriate but will not limit the extent of the obligations of the Custodian to you as set out in this Part C or give rise to any liability on behalf of any such person for the provision of the services provided to you pursuant to these Terms and Conditions.

### 6 Dealing with Securities

**61** On receipt of a written request from you the Custodian will, subject to any lien it may have, arrange the transfer of any Securities held for your benefit to you or to any other person at your direction.

**62** You acknowledge that the Custodian, in its discretion, may determine not to accept instructions to trade or deal with any Custody Securities within three Business Days (in the jurisdiction of the relevant securities exchange) of any previous trade or dealing by you of those same Custody Securities (i.e. the exact same parcel (or part thereof) of Custody Securities relating to the previous trade or dealing),

or within such other applicable period required for the clearance of that previous trade or dealing.

- 6.3** The Custodian will provide you with half yearly reports of all investments and documents of title held in its possession on behalf of you and of all movements relating to the reporting period including all cash related transactions of income, dividends, foreign exchange and settlements with cash or bank accounts. An end-of-financial-year summary of income and dividends, including resident withholding tax, imputation credits, withholding tax and management fees will also be provided to you. Each of these reports will be forwarded to you (in accordance with clause 11.1(b) of this Part C) within forty (40) Business Days of the end of the period to which they relate unless another means of transmission is agreed between the parties.
- 6.4** The Custodian is entitled to rely on any instructions provided by you or purported to be given by an Authorised Person in accordance with these Terms and Conditions without having to verify that person's identity and authority to give such instructions provided that the Custodian did not act unreasonably.
- 6.5** The Custodian will maintain appropriate records and registers for the Documents, the Securities and your money. In particular, the Custodian will separately identify them in its records and registers, as distinct from the investments of other clients held by the Custodian. The receipt, holding and disbursement of Custody Securities is subject to the NZX Participant Rules, the C&S Rules, the Custody Regulations, and to periodic review by NZX inspectors.

## 7 Special conditions

- 7.1** You will provide the Custodian with the necessary cleared funds to enable settlement of any dealings entered into by the Custodian on your behalf. The Custodian will not accept cash from you.
- 7.2** The Custodian may at its discretion charge you a funding fee in respect of that proportion of the required funds not provided, in accordance with the funding deadline until the amount of cleared funds required for settlement are provided by you to the Custodian.
- 7.3** You are responsible for paying your own costs, fees and charges incurred in connection with the provision of the funding referred to in clause 7.1 of this Part C.
- 7.4** You authorise your Hobson Wealth Adviser to have access to your Account in order to exercise your instructions.
- 7.5** Additional special conditions, if any, forming part of this Part C may be agreed between the Custodian and you.

## 8 Indemnity, expenses, fees and charges

- 8.1** You will be liable for all taxes, duties, levies, fines and imposts (arising other than as a result of the Custodian's negligence or fraud) reasonably incurred in connection with the proper performance by the Custodian of its obligations or with any of the transactions contemplated and which are properly chargeable against the Custodian or a third party engaged by it in accordance with the provisions of Part C relative to Your Account, excluding tax on the Custodian's or its agents' general income or profits.

**8.2** You will be liable for all fees, charges and/or other costs reasonably incurred by the Custodian and/or any of its agents as a direct result of you failing wholly or in part to comply with any provision of Part C, including any special condition.

**8.3** You agree to indemnify the Custodian and its agents against any Losses (including legal costs on a solicitor and client basis) reasonably paid, suffered or incurred by them directly or indirectly as a result of performance by the Custodian and/or any of its agents of their respective obligations to you under Part C (arising other than as a result of the Custodian's or its agents' gross negligence, fraud or dishonesty) where such Losses were caused or contributed to by your actions or inactions.

**8.4** In consideration of the performance by the Custodian of its obligations under Part C, you agree to promptly pay to the Custodian such fees and charges, together with any GST payable, determined in accordance with the fees and charges as the Custodian may notify you as being due and payable.

**8.5** The Custodian may at any time increase, amend or vary the fees and/or charges referred to in clause 8.4 of this Part C on their basis or method of calculation and may impose new fees and/or charges subject to providing you with 30 days' prior written notice of the Custodian's intention to do so.

**8.6** You agree to promptly pay to the Custodian all other transaction expenses and liabilities reasonably incurred by the Custodian in relation to the Securities, including:

- (a)** all brokerage, commissions, fees, taxes, duties and the similar expenses associated with receiving, collecting, holding, and disbursing the Securities; and
- (b)** any expenses or liabilities incurred at your request.

## 9 Taxation

- 9.1** If it is required to by law, the Custodian may deduct withholding tax, any other taxes, duties of the cost of any approved issuer levy from any income or other payment with all applicable laws and regulations of the relevant jurisdiction(s).
- 9.2** If you fail or elect not to provide the Custodian with your IRD number, the Custodian will deduct resident withholding tax, if any, at the non-declaration rate and remit it to the Inland Revenue Department.
- 9.3** You must also inform the Custodian if you are a company, other than a company that is a trustee.
- 9.4** You must, on request, certify to the Custodian in respect of any company referred to in clause 9.3 of this Part C, its place of incorporation, principal place of business, residence, control or management, registered office, IRD number, or other information which may affect the Client's status or assessability for taxation purposes in any country.

## 10 Commencement, termination and amendment

- 10.1** The custody services offered under Part C may be terminated by:
- (a)** mutual consent between the Custodian and you, or by the Custodian re-delivering Securities to you;
  - (b)** the Custodian, with immediate effect, if you breach any part of Part C and do not remedy the breach within the timeframes specified by Hobson Wealth (which must be reasonable); or
  - (c)** the Custodian, with immediate effect, on the occurrence of an Insolvency Event.
- 10.2** Following the termination of services under Part C:
- (a)** the parties will complete all outstanding transactions where reasonably possible;
  - (b)** you will pay all fees and other amounts due to the Custodian (or any associated company of the Custodian) up to and including the date of termination; and
  - (c)** subject to the obligations in (b) being satisfied, the Custodian will transfer the Documents, Securities and any of your money held to you or to any other party as directed by you.
- 10.3** You will bear any additional expenses of the Custodian reasonably incurred, as a result of any termination.
- 10.4** Any termination of Part C will not relieve a party from any liability incurred, or obligation undertaken, prior to termination.
- 10.5** The terms of Part C may be amended by the Custodian providing at least thirty (30) days' prior written notice to you. In the event Part C conflicts with the provisions of any other document, the provisions of Part C will prevail.

## 11 General

- 11.1** You represent and warrant that the Securities are and will remain, free from any charge, encumbrance, lien or Security Interest (except for the Custodian's lien) and that the Custodian may deal with the Securities on the basis that they are beneficially owned by you.
- 11.2** Part C is not intended to limit your rights under the New Zealand Consumer Guarantees Act 1993 where the services you acquire are of a kind ordinarily acquired for personal, domestic or household use or consumption and you are not acquiring the services for a business purpose. The Custodian excludes all conditions, warranties or terms implied by statute, general law or custom except to the extent that such exclusion would contravene any statute or cause this provision to be void.
- 11.3** No waiver of, or any consent to any departure by you or the Custodian from a provision of Part C is of any force or effect unless it is confirmed in writing and signed by or on behalf of the party granting the waiver or consent and then that waiver or consent is effective only to the extent to which it is made or given.
- 11.4** You confirm that the Privacy clause (clause 16 of Part A) will also apply to this Part C where you appoint the Custodian to provide services to you.
- 11.5** The Custodian may suspend services under Part C if you or the Authorised Persons fail to provide information that is required and authorised under this Part.
- 11.6** You and the Authorised Person are entitled to see, and to request the correction of, any personal information that the Custodian holds.
- 11.7** You acknowledge that the Custodian may be required to disclose information in respect of your identity, details of the Securities, information regarding the acquisition of Securities by you, or details of any transaction executed on your behalf to the FMA, NZX, any person entitled to such details or information by virtue of an order or direction of any court, or to any other person legally entitled.
- 11.8** Part C records the entire agreement in relation to Custody Services, and prevails over any earlier agreement or arrangement, concerning its subject.
- 11.9** Our internal controls and systems for handling clients' money and property are periodically reviewed by the Hobson Wealth's internal audit function. This includes an assessment of the adequacy of internal controls over the Client Funds Account. We are also subject to review by the NZX as part of the NZX's compliance programme.

## Part D: Definitions and interpretation

### 1 Definitions

1.1 In these Terms and Conditions:

“**Account**” means an account established by Hobson Wealth Equities New Zealand Limited on behalf of a Client;

“**AML/CFT Laws**” means the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, or any equivalent law in other jurisdictions, and includes any amending or replacement legislation and regulations under that legislation;

“**Application Form**” means the application form forming part of the Hobson Wealth New Zealand Application Booklet;

“**ASIC**” means Australian Securities and Investments Commission;

“**Australian Exchange**” means a financial market operated in Australia by a financial market operator who is licensed to operate a financial market in Australia including but not limited to those markets operated by ASX Limited, Chi-X Australia or other licensed financial market or exchange;

“**Authorised Person**” means any person authorised in writing by the Client (either on the Client’s Account application or otherwise by written notice to Hobson Wealth in accordance with clause 10 of Part A) to operate the Account on behalf of the Client;

“**Bare Trustee**” means that trustee functions are limited to holding assets, settling transactions and acting on the instructions of investors. A Bare Trustee cannot incur any liabilities in its own name or on behalf of investors;

“**Beneficial Owner**” means the individual who —

(a) has effective control of a customer or person on whose behalf a transaction is conducted; or

(b) owns more than 25% of the customer or person on whose behalf a transaction is conducted;

“**BNP**” means BNP Paribas Fund Services Australasia Pty Limited;

“**Business Day**” is a reference to a day Hobson Wealth is open for business in the city in which your Hobson Wealth Adviser is located;

“**C&S Rules**” means CHO’s Clearing and Settlement Rules;

“**CDO**” means New Zealand Depository Limited, including its Board, senior executives, employees, agents, and any Person acting under its delegated authority;

“**CHO**” means New Zealand Clearing Limited, including its Board, senior executives, employees, agents, and any Person acting under its delegated authority;

“**Client**” means the person or body corporate for whom Hobson Wealth or HWCL establishes an Account and may be referred to as “you” in these Terms and Conditions;

“**Client Assets**” has the meaning assigned to it under the NZX participant rules;

“**CRS**” means the OECD Common Reporting Standard for Automatic Exchange of Financial Account Information in Tax Matters (including any associated commentary or other official guidance);

“**CSN**” means your Common Shareholder Number;

“**CSP**” means Hobson Wealth as your Clearing and Settlement Participant;

“**Custodian**” means HWCL or any custodian appointed as such from time to time (as shall be notified to the Client in writing);

“**Custody Regulations**” means the Financial Advisers (Custodians of FMCA Financial Products) Regulations 2014;

“**Custody Securities**” means Securities held by the Custodian (or any subcustodian appointed by the Custodian);

“**Depository**” means the depository operated by CDO in accordance with the Depository Rules;

“**Depository Account**” has the meaning assigned to it under the NZX participant rules;

“**Depository Nominee**” means the

“**Nominee**” as that term is defined in the Depository Rules;

“**Depository Rules**” means CDO’s Depository Operating Rules, as amended from time to time by CDO;

“**Documents**” means any documents evidencing your title to the Securities;

“**FATCA Laws**” means the Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act 2010 (US) (including any associated regulations or other official guidance, an intergovernmental agreement or relevant commentary);

“**FIN**” means an alphanumeric identifier issued by NZX, an Issuer or a Securities Registry, to a Security holder that provides authority to access the shareholder’s account at the Securities Registry;

“**FinClear**” means FinClear Pty Limited (FinEx’s parent entity), an ASX Clearing Participant;

“**FinEx**” means FinClear Execution Limited, an ASX Market and Account Settlement Participant;

“**GST**” means any tax in the nature of goods and services tax, consumption tax, supply or valued added tax, sales tax, turnover tax, services tax or any similar tax which is levied in any jurisdiction;

“**HIN**” means your Holder Identification Number;

“**Hobson Portfolio Service**” means the service described under Part C of these Terms and Conditions;

“**Holder**” means a person registered as the legal owner of Securities in a holding;

“**HWCL**” means Hobson Wealth Custodians Limited; “**ICSL**” means Investment Custodial Services Limited;

“**Insolvency Event**” means the happening of any of these events to you:

- i. an application is made to a court for an order appointing a liquidator or interim liquidator in respect of your affairs, or one of them is appointed, whether or not under an order, by shareholder resolution or otherwise;

- ii. you enter into, or resolve to enter into, a scheme of arrangement, deed of company arrangement or composition with, or assignment for the benefit of, all or any class of your creditors, or you propose a reorganisation, moratorium or other administration involving any of them;
- iii. a trustee, receiver, or similar official is appointed;
- iv. any step is taken, or a proposal is made, for dissolution or you cease, or threaten to cease, to carry on your business;
- v. you are, or you state that you are, insolvent;
- vi. you are, or you make a statement from which it may be reasonably deduced that you are unable to pay your debts when they fall due, or are presumed unable to pay your debts under any law (including, in particular, section 287 of the New Zealand Companies Act 1993);
- vii. any step is taken, or recommendation made, to appoint a statutory manager under the Australian Corporations (Investigation and Management) Act 1989;
- viii. you take any step to obtain protection, or are granted protection, from your creditors, under any applicable legislation, or an administrator is appointed;
- ix. if you are a natural person, you commit an act of bankruptcy under any section 15 to 28 of the New Zealand Insolvency Act 2006 or action is taken which could result in that event;
- x. a charge, encumbrance, lien or security interest over any asset becomes enforceable; or anything analogous or having a substantially similar effect to any of the events specified above happens under the law of any applicable jurisdiction;

**“International Securities”** means any Security traded on a Recognised Securities Exchange other than an Australian Exchange or the NZX.

**“Issuer”** means any person who is or has been listed on a market provided by NZX or on a Recognised Securities Exchange and, where applicable, may include all members (other than another listed entity or a subsidiary thereof) of any group and/or other entities of which the Issuer is the holding company or in which the Issuer otherwise has a controlling interest;

**“Issuer Sponsored Holding”** means a parcel of Securities registered and held in an uncertificated manner and for which the relevant share registry administers the register of holdings and stock movements;

**“Loss”** means any loss, liability, damages, cost or expense, including legal costs, incurred on any basis;

**“Hobson Wealth”, “us”, “our” and “we”** refers to Hobson Wealth Partners Limited, an NZX firm including its Board, senior executives, employees, and any person acting under its delegated authority;

**“Hobson Wealth Adviser”** means the adviser allocated to you by Hobson Wealth;

**“HWCL”** means Hobson Wealth Custodians Limited, a custodian appointed by Hobson Wealth;

**“NZX”** means the NZX Limited and the securities markets in New Zealand it operates;

**“Recognised Securities Exchange”** has the same meaning as given to that term in the NZX participant rules; **“Regulatory Body”** means the New Zealand Financial Markets Authority, the NZX, Recognised Securities Exchanges and other government and regulatory bodies in New Zealand or overseas involved in the application or enforcement of the Rules;

**“Rules”** means the rules, regulations, customs, usages and practices of the relevant New Zealand and Australian legislation, including, but not limited to the Financial Advisers Act 2008, the Code of Professional Conduct for Authorised Financial Advisers, Financial Markets Conduct Act 2013, NZX Participant Rules, C&S Rules, Depository Rules, NZX Listing Rules, ASIC Market Integrity Rules, any rules governing the operation of New Zealand Exchange and any other relevant laws, regulations and procedures as issued and/or amended from time to time. Please contact your Hobson Wealth Adviser in the event you would like more information in relation to, or a copy of, the Rules;

**“Securities”** means securities including, without limitation “securities” as defined by the New Zealand Financial Markets Conduct Act 2013;

**“Security Interest”** has the meaning given to it under section 17 of the New Zealand Personal Property Securities Act 1999;

**“Securities Registry”** means a company, organisation or firm that is appointed by an Issuer to maintain its Securities registers and that is able to access the electronic system used to transfer title to enable that company, organisation or firm to register the transfer of Securities of that Issuer;

**“Services”** means the services provided by Hobson Wealth to its Clients from time to time;

**“SRN”** means your Shareholder Reference Number assigned to each parcel of Securities held as an Issuer Sponsored holding;

**“Terms and Conditions”** means terms and conditions outlined in this application booklet;

**“Trading Day”** means a day determined by ASIC, an Australian Exchange, NZX or any other recognised exchange (as the case may be) to be a trading day and notified to market participants being a day other than:

- i. a Saturday, Sunday, New Year’s Day, Good Friday, Easter Monday, Christmas Day, Boxing Day; and
- ii any other day which ASIC, an Australian Exchange, NZX or any other relevant exchange declares and publishes is not a trading day;

**“Trading Participant”** has the same meaning as given to that term in the NZX participant rules but also includes equivalent designations by other Recognised Securities Exchanges (including, for example, an ASX trading participant that facilitates trades on behalf of Hobson Wealth (acting as agent for Clients));

**“Website”** means the Hobson Wealth website at [www.hobsonwealth.co.nz](http://www.hobsonwealth.co.nz) or such other URL as may be notified to customers;

“You” means the person or entity recorded as the Account holder of a Hobson Wealth account and/or any person carrying out any transactions on your behalf. For example, a person you have given third party access to;

“Your Adviser” has the same meaning as “Hobson Wealth Adviser”; and

“Your Agent” is a reference to any person you authorise in writing on the Application Form or otherwise to be your agent for the purposes of these Terms and Conditions.

Actions done by your agent are deemed to be done by you for the purposes of these Terms and Conditions.

- 12 Capitalised terms that are not defined in clause 1.1 have the same meaning as they do in the NZX participant rules or the C&S Rules.

## 2 Interpretation

21 **In these Terms and Conditions unless the context indicates a contrary intention:**

- (a) a reference to these Terms and Conditions or to any deed, agreement, document or instrument includes respectively these Terms and Conditions or that deed, agreement, document or instrument as amended, novated, supplemented, varied or replaced from time to time;
- (b) a reference to any statute, rule or other law, or to any sections or provisions thereof includes any statutory modification or re-enactment or any statutory provision substituted therefore and all ordinances, by-laws, regulations and other statutory documents issued thereunder;
- (c) the singular includes the plural and vice versa;
- (d) the word “person” includes a firm, a body corporate, an unincorporated association and a statutory authority;
- (e) a reference to any party includes a reference to that party’s executors, administrators, successors, substitutes and permitted assigns and any person taking by way of novation;
- (f) a reference to anything (including, without limitation, any amount) is a reference to the whole or any part of it and a reference to a group of persons is a reference to any one or more of them;
- (g) where any word or phrase is given a defined meaning, any other part of speech or other grammatical form in respect of the word or phrase has a corresponding meaning;
- (h) headings are inserted for convenience only and do not affect the interpretation of these terms and conditions; and
- (i) a reference to a clause or a schedule is, unless the context otherwise indicates, a reference to a clause or a schedule in these terms and conditions.



For more information

[hobsonwealth.co.nz](http://hobsonwealth.co.nz)

