

FIIG Securities Limited

Changes to the "Client Custody Agreement Terms and Conditions" & the "Agreement for Opening a Client Custody and Investment Transaction Account" forming part of the "Opening a FIIG Client Account" form.

January 2016

This document has been prepared by FIIG Securities Limited (ABN 68 085 661 632, AFSL Number 224659). It is intended to provide clients who held a FIIG Client Account prior to 1 January 2016 with a summary of key changes to:

the "Client Custody Agreement Terms and Conditions" ("**Ts&Cs**") that will apply on and from 1 January 2016; and

the "Agreement for Opening a Client Custody and Investment Transaction Account" forming part of the "Opening a FIIG Client Account" form ("**Application Form Conditions**") that will apply on and from 1 January 2016,

(referred to together in this document as the "**Client Documents**").

This document is only intended to be a basic summary of certain key changes to the Client Documents. It is not intended to be a comprehensive description of any party's rights and obligations under, or to affect the interpretation or application of, those Client Documents. You should obtain and read a copy of the full Client Documents, available at www.fiig.com.au/about-us/fiig-brochures-and-forms, and consider the appropriateness of those documents having regard to your own objectives, financial situation and needs.

Unless the contrary intention appears, terms used in this document have the same meaning as in the relevant Client Document.

Client Document Reference	Summary of change
Clause 1 of the Ts&Cs	Amendments to clause 1 of the Ts&Cs introduce or modify a number of definitions. The changes are: <ul style="list-style-type: none">• an amendment to the definition of "Distribution", in order to clarify that the definition applies to amounts of interest, regardless of the frequency of payment or whether the applicable interest rate is fixed or floating; and• inserting a new definition of "Foreign Exchange Rate", which will be the rate provided to FIIG by a third party provider, or otherwise as determined by FIIG. The definition allows FIIG to determine the time when the conversion is to occur.
Clause 3.7 of the Ts&Cs	Additional wording has been inserted to clarify that this clause applies to cash, regardless of which currency the cash is denominated in.
Clause 3.8 of the Ts&Cs	This amendment requires you to ensure that your Bank Account

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	<p>contains sufficient cleared funds to pay all Fees as they are due, as well as to facilitate the completion of transactions. Before the amendment, clause 3.8 only required you to ensure your Bank Account contained sufficient cleared funds to complete transactions.</p> <p>Wording has also been inserted requiring you to acknowledge that Fees may be deducted from your Distributions in accordance with clause 12.5 (discussed below) and the full amount of Distributions may not be credited to your Bank Account.</p>
<p>Clause 3.11c) of the Ts&Cs</p>	<p>This amendment introduces a new requirement requiring FIIG to ensure there is a separation of powers, functions and responsibilities of FIIG staff in respect of the deduction of Fees from client Distributions and staff involved in providing custodial services or our internal audit function.</p>
<p>Clause 3.16e) of the Ts&Cs</p>	<p>This amendment introduces a new requirement for you to provide any information and/or documentation we request for the purposes of anti-money laundering or counter-terrorism financing regulations, or the Inter Governmental Agreement (relating to the US Foreign Accounts Tax Compliance Act).</p> <p>You must also notify FIIG if information you have provided changes.</p>
<p>Clauses 5.1b), 5.2, 5.6 and 5.10 of the Ts&Cs</p>	<p>We have made a number of amendments relating to Proper Instructions (that is, how you instruct us to act in relation to your assets).</p> <p>There have been minor wording changes in clause 5.1b) to clarify that FIIG is not required to act on an instruction that is not a Proper Instruction. There has been no change to the substance of the clause.</p> <p>The amendment to clause 5.2 allows Proper Instructions to be given in the Ts&Cs themselves, in addition to the previous ways a Proper Instruction could be given.</p> <p>A new clause 5.6(b) has been inserted into the Agreement, providing that an irrevocable Proper Instruction cannot be cancelled or superseded by another Proper Instruction.</p> <p>A change to clause 5.10 makes FIIG's obligation to use reasonable endeavours to implement Proper Instructions subject to other clauses of the Agreement. For example, FIIG will not be required to attempt to implement a Proper Instruction that purports to cancel a previous irrevocable Proper Instruction.</p>
<p>Clause 12.4b) of the Ts&Cs</p>	<p>The previous clause 12.4b) has been replaced with new wording, though the subject matter of the clause remains the same. The</p>

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	<p>intention of this change is to clarify the way in which you give us authority to deduct Fees from your Bank Accounts. The new wording makes it clear that the authority is given by completing the Application Form.</p>
<p>Clause 12.5 of the Ts&Cs</p>	<p>Under this new clause, you authorise FIIG to deduct amounts owing by you from your Distributions before they are deposited into your Bank Account.</p> <p>However, this will only apply if you have elected this method as your preferred method to pay Fees and other amounts, or if FIIG has not been able to recover the outstanding amounts from your Bank Account after three attempts.</p>
<p>Clause 12.8 of the Ts&Cs</p>	<p>A new clause 12.8 sets out the process we will follow if we are required to convert amounts from one currency to another. Any conversions will be made at the Foreign Exchange Rate (summarised above). This applies in relation to:</p> <ul style="list-style-type: none"> • amounts to be deposited into your Bank Account; • amounts required to settle transactions; • Distributions from your investments. <p>The Foreign Exchange Rates used for any conversions affecting your investments will be reported to you in your monthly statements.</p>
<p>Clause 14.5c) of the Ts&Cs</p>	<p>This new clause provides that clauses 12.4 and 12.5 (dealing with deductions from clients' Bank Accounts and Distributions, respectively) will continue beyond termination of the Ts&Cs, until all outstanding amounts have been paid in full.</p>
<p>Clause 1.5c) of the Application Form Conditions</p>	<p>This clause contains a number of authorisations and instructions from you to FIIG. The clause has been amended to provide that these authorisations and instructions are irrevocable.</p> <p>In addition, new instructions have been provided for, summarised as follows:</p> <ul style="list-style-type: none"> • (deduction of Fees and other amounts) a new instruction has been inserted to operate in conjunction with the new clause 12.5 of the Ts&Cs (summarised above) in relation to the deduction of amounts owing by you from your Distributions. You instruct FIIG to deduct amounts owing by you from your Distributions before they are deposited you're your Bank Account, if you have selected that method as their preferred method for payment of such amounts. • (currency conversion) a new instruction requiring FIIG to convert amounts between currencies in accordance with clause 12.8 of the Ts&Cs (summarised above).

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