

SPONSORSHIP AGREEMENT

1. RECITALS

1.1 In its capacity as the Securities Clearing House under the Corporations Act, ASX Settlement and Transfer Corporation Pty Limited (ACN 008 504 532) operates a Clearing House Electronic Subregister System ("CHESS").

1.2 In CHESS you can hold Securities in uncertificated form sponsored by E*TRADE Australia.

1.3 E*TRADE Australia and you wish to enter into this Sponsorship Agreement to allow you to participate as a sponsored holder in CHESS.

2. DEFINITIONS AND INTERPRETATION

2.1 In this Agreement:

ASX means the Australian Stock Exchange Limited (ACN 008 624 691).

HIN means Holder Identification Number.

OCH means Options Clearing House Pty Ltd (ACN 001 314 503).

Rules means the Business Rules of SCH as in force from time to time.

E*TRADE Australia Conditions means the terms and conditions that apply from time to time between you and E*TRADE Australia in relation to broking services.

Instructions: means instructions provided by you or your nominated dealer or authorised representative (where applicable) as detailed in part C of the E*TRADE Australia Account Application or otherwise authorised by you in writing.

Rules: means the SCH Business Rules.

SCH means the approved Securities Clearing House operated by ASX Settlement and Transfer Corporation Pty Ltd (ACN 008 504 532).

Sponsored Holding means your CHESS Holding which is identified by a HIN:

(a) listed in the Schedule; or

(b) which is notified in writing by E*TRADE Australia to you after this Agreement commences.

Withdrawal Instructions means instructions for withdrawal of Securities from your Sponsored Holding, of the kind referred to in clause 7.1.

Before you sign this Agreement, please read the Explanation attached to this Agreement and contact E*TRADE Australia if you have any questions.

2.2 Any term used in this Agreement which is defined in the Rules shall bear the same meaning as in the Rules.

2.3 Singular includes plural and vice versa and a reference to any gender includes a reference to all other genders.

2.4 This agreement is entered into on the date set out in part C of the E*TRADE Australia Account Application.

2.5 This agreement is entered into between E*TRADE Australia and the parties identified in part C of the E*TRADE Australia Account Application.

3. APPOINTMENT

You appoint E*TRADE Australia as your Controlling Participant to provide, and E*TRADE Australia agrees to provide, Transfer and Settlement services as your agent in relation to Sponsored Holdings on the terms and conditions of this Agreement. You authorise E*TRADE Australia as your agent to do any act under CHESS relating to your Sponsored Holdings.

4. INFORMATION

4.1 You must supply to E*TRADE Australia information and supporting documentation relating to you and your Sponsored Holdings which is reasonably required by E*TRADE Australia to permit it to comply with all of the requirements of SCH and the Rules including without limitation, registration requirements for Sponsored Holdings under the Rules and all of its other obligations under this Agreement. Where any information previously supplied by you changes, you must notify E*TRADE Australia of that change in writing (and supply any necessary supporting documentation) as soon as possible. E*TRADE Australia will give notice of the change as required under the Rules within the Scheduled Time.

4.2 Information or documents you give to E*TRADE Australia may be disclosed by E*TRADE Australia to any person:-

(a) to enforce its rights;

(b) who is an E*TRADE Australia officer, employee, adviser or agent; or

(c) if you consent; or

(d) if required by any regulatory authority or if permitted or required by law.

5. E*TRADE AUSTRALIA'S AUTHORITY

5.1 Where E*TRADE Australia has received your instructions to enter into any transaction involving the disposal of Securities held in a Sponsored Holding, E*TRADE Australia has the authority:

(a) to initiate and effect a Transfer of the Securities; or
(b) to take any other action necessary to bring about the disposal, even if, because of netting arrangements, the Transfer or disposal is to a person who is not a party to the transaction.

5.2 Where E*TRADE Australia has received your

instructions to enter into any transactions involving the purchase of Securities, E*TRADE Australia is not obliged to transfer the Securities into the Sponsored Holding until payment for those Securities is received.

5.3 You acknowledge that payment for the purchase of Securities is to be made in accordance with the E*TRADE Australia Conditions. Where, notwithstanding the terms of the E*TRADE Australia Conditions, a contract for the purchase of Securities for you remains unpaid, after E*TRADE Australia has made a demand on you to pay for the Securities, E*TRADE Australia may sell those Securities that are the subject of the contract at your risk and expense and that expense shall include brokerage and stamp duty.

5.4 Subject to Clause 5.3, upon delivery of the necessary documentation and information, E*TRADE Australia is authorised to effect any Transfers and Conversions to register Securities into Sponsored Holdings. The Transfers or Conversions will be initiated by E*TRADE Australia within the Scheduled Time.

5.5 E*TRADE Australia is authorised to initiate a Conversion of a Sponsored Holding into another form of holding if the Rules so require.

5.6 E*TRADE Australia is authorised to obtain statements of holding balances and other information in relation to Sponsored Holdings upon your request, or at such time as E*TRADE Australia reasonably thinks necessary. Where statements or information are obtained at your request, you will bear the cost of obtaining the statement or information, but otherwise E*TRADE Australia will bear any costs.

5.7 You will not appoint any other person to act as your Controlling Participant in relation to any Sponsored Holding during the term of this Agreement.

6. E*TRADE AUSTRALIA TO INITIATE TRANSFERS OUT OF SPONSORED HOLDINGS

Only E*TRADE Australia may initiate a Transfer or Conversion of Securities held in a Sponsored Holding.

7. WITHDRAWAL FROM SPONSORED HOLDINGS

7.1 Subject to clauses 5.3 and 7.2, E*TRADE Australia will initiate any Transfer, Conversion or other action to give effect to your Withdrawal Instructions within the Scheduled Time.

7.2 If you give Withdrawal Instructions to E*TRADE Australia and at that time E*TRADE Australia claims that an amount lawfully owed to it by you has not been paid E*TRADE Australia may refuse to comply with the Withdrawal Instructions, but only to the extent necessary to retain Securities in Sponsored Holdings having a current market value not greater than 120% of the amount claimed.

7.3 E*TRADE Australia will not initiate any Transfer or Conversion into or out of your Sponsored Holding without your express authority.

8. TERMINATION

8.1 Either party may terminate this Agreement by giving written notice to the other, and such termination will be effective upon receipt of Notice by the other party to the Agreement.

8.2 This Agreement will automatically terminate upon E*TRADE Australia becoming insolvent or upon E*TRADE Australia ceasing to be or being suspended as a Broker.

8.3 Termination of this Agreement will not affect the rights of the parties accrued prior to the time of termination.

9. OTHER RIGHTS AGAINST E*TRADE AUSTRALIA

9.1 In the event that E*TRADE Australia breaches this Agreement, you may refer that breach to any regulatory authority, including SCH.

9.2 If E*TRADE Australia is suspended from CHES participation and a liquidator, receiver, administrator or trustee of E*TRADE Australia asserts an interest in Securities controlled by E*TRADE Australia:

(a) you have the right, within 20 Business Days of SCH giving notice of suspension, to give notice to SCH requesting that any Sponsored Holdings be removed either from the CHES Subregister or from the control of E*TRADE Australia to the control of another Broker with whom you have entered into a valid Sponsorship Agreement; or
(b) where you do not give notice under the preceding provision, SCH may effect a change of Controlling Participant under the Rules, and you shall be deemed to have entered into a new Sponsorship Agreement with the substitute Broker, on the same terms as this Agreement.

9.3 If you make a claim for compensation against E*TRADE Australia, the ability of E*TRADE Australia to satisfy that claim will depend upon the financial circumstances of E*TRADE Australia; and

9.4 In the circumstances specified under Part 7.5 of the Corporations Act you may make a claim on the National Guarantee Fund for compensation.

10. ACKNOWLEDGMENTS AND NOTIFICATIONS

You acknowledge the following:

(a) you have read and understood the Sponsorship Agreement;
(b) that, in the event of your death or bankruptcy, a Holder Record Lock will be applied to all your Sponsored Holdings in

accordance with the Rules, unless your legally appointed representative or trustee elects to remove your Sponsored Holdings from the CHES Subregister;

(c) that, in the event of your death, this Agreement is deemed to remain in operation, in respect of the legally appointed representative authorised to administer your estate, for a period of up to three calendar months subsequent to the removal of the Holder Record Lock pursuant to the Rules, unless your legally appointed representative elects to remove your Sponsored Holdings from the CHES Subregister;

(d) if you are a joint holder, in the event of the death of a joint holder all Sponsored Holdings under the joint Holder Record shall be transferred into new Sponsored Holdings under a new Holder Record in the name of the surviving holder and this Agreement shall be valid for the new Sponsored Holdings under the new Holder Record;

(e) if you are a joint holder in the event of the bankruptcy of one of the holders E*TRADE Australia will:

(i) establish a new Holder Record in the name of the bankrupt holder, transfer the interest of the bankrupt holder into new Sponsored Holdings under the new Holder Record and request that SCH apply a Holder Record Lock to all Sponsored Holdings under that Holder Record, unless the legally appointed representative of the bankrupt holder elects to remove the Holdings from the CHES Subregister; and
(ii) establish a new Holder Record in the name/s of the remaining holder and transfer the interest of the remaining holder into new Sponsored Holdings under the new Holder Record;

(f) an election to remove Securities from the CHES Subregister may entitle a person with an interest in those Securities to exercise conflicting rights in respect of those Securities; and

(g) if obliged by the Rules to request a Holder Record Lock, the Broker may also be obliged under other contractual arrangements to request removal of that Lock.

11. EXCHANGE TRADED OPTIONS COVER, PLEDGING AND SUBPOSITIONS

11.1 If you arrange with OCH to lodge Securities in a Sponsored Holding as cover for written positions in the Australian Options Market, and you inform E*TRADE Australia of the arrangement, you authorise E*TRADE Australia to take whatever action is reasonably required by OCH in accordance with the Rules to give effect to that arrangement.

11.2 If you arrange with any person to give a charge or any other interest in Securities in a Sponsored Holding, you may authorise E*TRADE Australia to

take whatever action is reasonably required by the person in accordance with the Rules to give effect to that arrangement.

11.3 You acknowledge that where, in accordance with this Agreement and/or your instructions, E*TRADE Australia initiates any action which has the effect of creating a Subposition over Securities in a Sponsored Holding, your right to Transfer, Convert or otherwise deal with those Securities is restricted in accordance with the terms of the Rules relating to Subpositions.

12. RENOUNCEABLE RIGHTS

If any Renounceable Rights arise in relation to a Sponsored Holding, they are to be held, renounced and transferred on the same basis under this Agreement as the Securities in the holding, with any modifications which the circumstances require.

13. E*TRADE AUSTRALIA TO INITIATE TRANSFERS OUT OF SPONSORED HOLDINGS

E*TRADE Australia is authorised to transfer Securities into or out of Clearing Holdings to facilitate settlement of transactions.

14. FEES

In consideration for the services provided under the Agreement by E*TRADE Australia, you will, upon written notification from E*TRADE Australia, pay E*TRADE Australia the fees charged to E*TRADE Australia by SCH.

15. VARIATION

Except as provided in clause 16.2, this Agreement may be varied only by a written agreement signed by E*TRADE Australia and you.

16. BUSINESS RULES

16.1 This Agreement is subject to the Rules in force from time to time, and you shall not take any action which will prevent or impede E*TRADE Australia from complying with its obligations under the Rules. If this Agreement is inconsistent with the Rules, the Rules prevail to the extent of the inconsistency.

16.2 If, as a result of an amendment to the Rules, a provision of this Agreement becomes inconsistent with a provision of the Rules, E*TRADE Australia may, by giving you not less than seven days written notice, vary this Agreement to the extent which in E*TRADE Australia's reasonable opinion is necessary to remove the inconsistency.

SPONSORSHIP AGREEMENT

Between

ETRADE Australia Securities Limited ACN 078 174 973 (“sponsor”) of Level 1, Bridge Street, Sydney NSW 2000
and

_____ (“client/s”) of

_____ (insert registered address”)

DECLARATION

I/We have read and agree to be bound by the ETRADE Australia Securities Ltd CHESS (Broker) Sponsorship Agreement and as varied from time to time and notified to me.

EXECUTED AS AN AGREEMENT:

Execution by Sponsoring Broker:
ETRADE AUSTRALIA SECURITIES LTD
Level 1 10 Bridge Street Sydney NSW 2000

Signed for and on behalf of ETRADE Australia Securities Ltd in the presence of:)	_____
_____	Signature of officer
Signature of Witness	_____
_____	Name of Officer (print)
Name of Witness (print)	_____
_____	Date

Execution by Company:

Signed for the client by an authorised officer in the presence of:)	_____
_____	Signature of officer
Signature of Witness	_____
_____	Name of Officer (print)
Name of Witness (print)	_____
_____	Signature of officer
Date	_____
_____	Name of Officer (print)

DO NOT AFFIX COMPANY SEAL

Execution by A Natural Person:

Signed by the client in the presence of:)	_____
_____	Signature of Client
Signature of Witness	_____
_____	Name of Client (print)
Name of Witness (print)	_____
_____	Signature of Client
Date	_____
_____	Name of Client(print)

EXPLANATION OF CHESS SPONSORSHIP AGREEMENT

This explanation of the terms of the CHESS Sponsorship Agreement provides you with an outline of the main terms of the CHESS Sponsorship Agreement. Please also read the Chess Sponsorship Agreement. It is important that you read this document and understand its contents before signing the Agreement. However if there is anything you do not understand after reading this explanation and the Agreement, we encourage you to ring E*TRADE on 13 3350.

To be able to use CHESS to facilitate settlement of your trades and to maintain details of your holdings on an ongoing basis, you need to be sponsored in CHESS by a broker. Only certain persons may control securities in CHESS. E*TRADE Australia falls within this category.

E*TRADE Australia (also referred to as we or us) must be your sponsoring broker in respect of those securities you wish to trade through us. We are also happy to sponsor you in relation to securities not originally purchased through us. To do this, please complete the CHESS Sponsorship Transfer form that accompanies this Account Opening Booklet.

As a result of us being appointed as your sponsoring broker, only we can give instructions to CHESS in relation to your holdings and the settlement of your trades for the securities traded through us. We may also transfer securities in and out of holding accounts to facilitate settlement of your dealings. You agree not to appoint any other person as your sponsoring broker in relation to the sponsored holdings during the term of the Agreement.

Within CHESS, your securities are identified by your Holding Identification Number (HIN). Any costs associated with these holdings can be passed on to you by us. However at this time it is not our policy to do so and we will notify you in writing should this change.

You need to make sure that all information you have given to us is accurate and that you update it if there are any changes. We are allowed to use this information in certain circumstances.

Sufficient funds must be in the bank account (the operation of which is described more fully on pages 12 to 16) to pay for any securities purchased and any associated fees. If there are insufficient funds in the bank account, then we are entitled to sell those securities to reimburse ourselves for that amount.

Renounceable rights that relate to the securities in your HIN will be treated in the same manner as the securities themselves. You can give us instructions at any time to withdraw your securities from those CHESS holdings. Provided you have met all your obligations, we will comply with your instructions. If you have not met all your obligations to pay money to us, we can retain your securities to a maximum value of 120% of the amount owing.

Both of us can terminate the Sponsorship Agreement by notice in writing. Termination of the Agreement will be effective upon receipt of Notice by the other party to the Agreement.

If we breach the Agreement, you can refer the breach to a regulatory authority. You also have certain rights if we are suspended from CHESS participation.

Our ability to meet any claim you make on us will depend, amongst other things, on our financial circumstances at the time the claim is made. You may be entitled to make a claim on the National Guarantee Fund.

The Agreement also sets out what happens in the event of the death or bankruptcy of the account holder, or one of the account holders if the account is in joint names.

At the time of issue of this Account Opening Booklet, you are unable to trade exchange traded options through us. Therefore the relevant provisions of the Sponsorship Agreement do not currently apply. If trading in exchange traded options is permitted at some time in the future, these provisions will then apply.

Under the Agreement, we are entitled to charge you the fees that SCH charges us or for information we obtain at your request. However, the current policy is that we will not charge you these fees. You will be notified should this policy change. The terms of the Agreement can only be varied by written agreement between you and us.

The Agreement is subject to the ASX Business Rules and the SCH Business Rules. The terms of the Agreement can be varied by us on seven days notice to remove any inconsistency between the Agreement and these Rules.

Should you require further explanation relating to the effect of the Sponsorship Agreement, please contact our customer services staff on 1300 658 355.