

Terms & Conditions

And Disclosure of Money and Property
Handling Procedures

Client copy – please retain for your records



1. **Appointment**
 - 1.1 You appoint us to provide you with Services and we accept that appointment on the Terms and Conditions set out in this Client Agreement.
2. **Services Provided to Clients by Craigs Investment Partners (CIP)**
 - 2.1 This Client Agreement applies to Services that we provide to you subject only to any supplementary agreement in writing.
 - 2.2 By using our Services you will be bound by these Terms and Conditions as amended from time to time.
 - 2.3 All services that we provide to you are subject to the Financial Advisers Act and the Code of Conduct of Authorised Financial Advisers. Additionally as an NZX Participant most services provided to you are subject to the NZX Participant Rules which are in force from time to time. The NZX Participant Rules and associated procedures are, to the extent necessary, incorporated into this Client Agreement. Any amendments to the NZX Participant Rules will apply automatically to this Client Agreement without the necessity for this Client Agreement to be amended.
 - 2.4 All services that we provide to you will be provided to you in accordance with all applicable New Zealand legislation.
 - 2.5 Service levels may change from time to time depending on your requirements from CIP and your CIP Investment Adviser, such changes will be confirmed by the issuance of a new Scope of Service.
 - 2.6 We reserve the right to decide not to provide Services to you.
3. **Account**
 - 3.1 We will open an Account in your name on the first occasion we accept instructions to provide you with Services.
 - 3.2 You agree to take personal responsibility for any actions in respect of trading through an Account and guarantee payment of any amounts owing under an Account.
 - 3.3 The Account must be used only for the provision of Services, on your behalf.
 - 3.4 Only you or Authorised Persons can operate an Account and give us instructions.
 - 3.5 Whenever Authorised Persons operate an Account you warrant to us that:
 - a. The Authorised Persons are authorised to give us the instructions on your behalf;
 - b. The Authorised Persons shall comply with this Client Agreement;
 - c. The Authorised Persons shall use the Account only on your behalf;
 - d. If the Authorised Persons undertake transactions on behalf of any other person they shall advise us and ask us to set up another account;
 - e. Any details any Authorised Persons give us are correct; and
 - f. You will personally indemnify us against any costs or losses of any kind, which we may suffer as a result of any failure by any Authorised Persons to comply with this Client Agreement.
- 3.6 If you want to change the Authorised Persons:
 - a. You must give us written notice of the changes. The notice must contain an acknowledgement by any new Authorised Persons that they have read and understood these Terms and Conditions;
 - b. You must sign the notice; and
 - c. Any new Authorised Persons must sign the notice and complete our identity verification requirements.
- 3.7 We may continue to act on the instructions of Authorised Persons until we receive written notice from you revoking their appointment.
4. **Instructions to Execute a Transaction**
 - 4.1 Instructions to execute a transaction may be given by telephone, in writing, in person, by facsimile, or by e-mail which complies with clause 5 of this Client Agreement.
 - 4.2 If you give us instructions by facsimile, your facsimile instructions are deemed to be given when acted upon by us.
 - 4.3 We may ask any person who gives us instructions to confirm their identity and/or their authority to instruct us to execute a transaction. We may require that a password be established and given to confirm authority to operate an Account.
 - 4.4 From time to time we may invite you to participate in an Offer of Securities. Where instructed by you or an Authorised Person, you may appoint us to apply for Securities on your behalf and complete the necessary application documentation. The provisions of this Client Agreement will apply in such circumstances.
- 4.5 We are under no obligation to verify the authenticity of any instruction or purported instruction and may act on any instruction without further enquiry or delay, from any person we reasonably believe to be an Authorised Person.
5. **Our E-mail and Website Policy**
 - 5.1 If you give us instructions or notice by e-mail, these instructions or notice must be:
 - a. Sent to us from the e-mail address(es) recorded in this Client Agreement or other supplementary agreement in writing; and
 - b. Emailed to your usual Investment Adviser.
 - 5.2 E-mail instructions are deemed to be given when acted upon or acknowledged by us.
 - 5.3 If you want to change your e-mail address:
 - a. You must give us written notice of the changes; and
 - b. You must sign the notice.
 - 5.4 If you wish to receive electronic contract notes we must have your written/e-mail consent.
 - 5.5 We may not accept emails that do not comply with the requirements of this clause 5.
 - 5.6 Access to our website, market and research information is at our absolute discretion.
6. **Terms of Business**
 - 6.1 a. Where you fail to meet a Delivery Obligation, we shall have the right to pass on, and you shall have the obligation to meet, any charge or levy incurred by us as a result of your failure to make delivery within the time needed to enable us to meet the time limits recognised as Good Broking Practice;
 - b. Where you have or a Trading Participant Acting as Principal has failed to settle with us, the parties shall have the rights and obligations recognised as Good Broking Practice regarding cancelling the contract and mitigating any loss relating to that failure to settle;
 - c. Once a Trade has been entered into the NZX Trading System and, apart from the Delivery Obligations and Settlement Obligations, completed and formalised by a Trading Participant, all obligations and responsibilities for that Trade are transferred to us (with whom the Trading Participant

- has a Post Trade Agreement for the clearing, delivery and settlement of Trades on behalf of that Trading Participant). Once the responsibility of a Trade is transferred, we shall be liable as principal unless agreed otherwise by that Trading Participant and us in the parties' Post Trade Agreement; and
- d. Any information held by us may be subject to review by a regulator including (but not limited to) the NZX Inspector.
- 7. Authorisation Code**
- 7.1 Your Authorisation Code will be retained by us and will be encrypted.
- 7.2 Where you instruct us that we are not authorised to continue to hold your Authorisation Code in encrypted format, we will delete it as soon as reasonably practicable.
- 7.3 Your Authorisation Code will be used by us to effect Trades for you and for all other purposes incidental to the provision of Services to you.
- 7.4 The risks associated with us retaining your Authorisation Code in encrypted format include (but are not limited to):
- Us having unlimited access to your Securities; and
 - The potential for unauthorised access to your Securities.
- 7.5 You acknowledge that we will have unlimited access to your Securities if your Authorisation Code is retained by us in encrypted format.
- 7.6 We undertake that we will at all times use reasonable endeavours to protect your Authorisation Code from unauthorised use and/or unauthorised access.
- 8. Security Trading – Bringing Orders to Market**
- 8.1 In order to achieve Best Execution of your Orders you agree that we may put your Orders to market at our careful discretion by:
- Accumulating or bundling orders coming to market;
 - Delaying execution of client orders; or
 - Delaying orders to satisfy Crossings.
- 8.2 You may override the instructions in clause 8.1 when placing an Order, at which time we will act on your specific instructions to bring your Order to market in accordance with the NZX Participant Rules.
- 9. Purchase of Securities**
- 9.1 When we buy any Securities on your behalf, you must pay the purchase price for the Securities to us, together with our Fees and Charges.
- 9.2 Payment of the amount due under clause 9.1 must reach us by the 3rd working day after the date the Transaction is executed ("the due date for payment").
- 9.3 Our records of the Transaction will be accepted as correct and deemed to be conclusive and binding on you after the second working day from the day you have received notice of it whether by contract note or otherwise.
- 9.4 Before buying any Securities on your behalf, we may require you to lodge funds into an Account to cover the purchase price for the Securities, and our Fees and Charges. We will not be required to act on your instructions until you have complied with any such requirement.
- 9.5 All Transactions must be settled in the currency of the market in which the Transaction takes place. We will effect, upon receipt of your instruction, any currency conversion requirements to enable settlement of the Transaction.
- 9.6 For Securities purchased to your order on the NZX we will require your Common Shareholder Number ("CSN") before the Trade can be executed by us.
- 10. Sale of Securities**
- 10.1 You represent and warrant that all Securities you have instructed us to sell or hold on your behalf are legally or beneficially owned by you free and clear of any security interest or other impediment.
- 10.2 For New Zealand Securities sold to your order on the NZX we will:
- Forward the contract note to you and if applicable, a transfer form for completion by you, for return to us. We may require the completed transfer form before the Transaction is undertaken by us; and
 - Require your CSN and Authorisation Code before we carry out the Transaction.
- 10.3 If you sell shares which are quoted in a foreign currency and have asked us to pay you in New Zealand dollars, the amount that you will receive will be shown on the contract note.
- 10.4 If we make a payment from an Account by cheque, for Securities, the cheque must be made out in the name of the registered holder(s) of the Securities and delivered to the address that we have recorded for you, unless we receive written notification from you that the cheque is to be made out to someone other than yourself and/or delivered to another address.
- 10.5 Following valid transfer, the proceeds of the sale will be released (after deducting our Fees and Charges) in accordance with your instructions.
- 11. Class Services**
- 11.1 Class Advice - where CIP provides you financial advice that does not take into consideration your own personal circumstance, you must be aware of the limitations of the advice and should consider the relevance of the advice in relation to your own personal situation.
- 11.2 Class Advice will be provided to those retail clients whom they or their CIP Adviser deem that service as suitable or those clients that opt out of their suitability.
- 11.3 Where we buy or sell any Securities on your behalf and the Transaction is not based on advice from us we will note this as an Execution-Only Transaction. This may include but is not limited to circumstances:
- Where you do not seek advice from us;
 - Where you do not accept advice from us; and
 - Where we cannot provide advice to you for that Transaction.
- 11.4 Where we undertake all Transactions for you as Execution-Only Transactions, you will be deemed an Execution-Only client.
- 12. Interest**
- 12.1 Money paid by you to us or money held by us for you pending the purchase of Securities, payment to you, or for any other reason, may attract interest from the bank at which it is deposited. You consent to such interest being deducted from that bank account and being retained by us.
- 13. Client Delivery and Settlement Disclosures**
- 13.1 Our main telephone number is 07-577-6049 and our main business address is Craigs Investment Partners House, 158 Cameron Road, Tauranga.
- 13.2 We will carry out the clearing and settlement of Trades executed for you in accordance with the Clearing and Settlement Rules (C&S Rules) and Depository Rules.

- 13.3 Under the C&S Rules, the Clearing and Settlement Terms of each Trade executed for you will be novated in accordance with the C&S Rules and 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.
- 13.4 Your rights and obligations in relation to the clearing and settlement of a Relevant Settlement Transaction will be limited to any rights against, and any obligations to CIP (as your Client Advising and Trading Participant and as the Clearing Participant) you will not have any rights against The Central Clearing House (CHO) in relation to the clearing and settlement of the Relevant Settlement Transaction.
- 13.5 You agree and acknowledge that:
- CHO will act as the central counterparty to each Transaction subject to clearing on the Clearing House. The Clearing and Settlement Terms of any relevant Transaction will be novated in accordance with the C & S Rules;
 - It is intended that we will be the Clearing Participant which carries out the clearing and settlement of Trades executed for you in accordance with the C&S Rules and the Depository Rules. However, we reserve the right to use a third party Clearing Participant. If we do use a third party Clearing Participant, we will advise you of that Clearing Participant's name, telephone number, main business address and any other details of which we have to advise you under the Participant Rules;
 - In relation to each Transaction executed on your behalf which is subject to clearing on the Clearing House:
 - The Clearing and Settlement Terms for such Transaction will be novated to the extent required in accordance with the C&S Rules;
 - The Clearing Participant will become principal in the resulting Relevant Settlement Transaction and take on all of the Clearing and Settlement Terms for that Relevant Settlement Transaction; and
 - You consent 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.
- d. Your rights and obligations in relation to the clearing and settlement of a Relevant Settlement Transaction will be limited to any rights against, and obligations to, us and you will not have any rights against, or obligations to:
- A third party Relevant Clearing Participant (if any); or
 - CHO, in relation to the clearing and settlement of the Relevant Settlement Transaction;
- 13.6 The liability of CHO and CDO, the Depository Nominee, New Zealand Clearing and Depository Corporation Limited and NZX to any person (including yourself as a client of CIP) 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.
- 13.7 You grant to CIP at all times, full and exclusive rights, power and authority to bind your account under the C&S Rules and to authorise the application of the Assets in the account in accordance with Rule 18.10.
- 13.8 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.
- 14. Failure to Settle**
- 14.1 If payment is not made by the due date for payment, you agree to pay us interest on the amount outstanding from time to time at the rate of interest 3% per annum above the overdraft rate charged by our bankers, calculated on a daily basis from the due date for payment to the date payment is made. Furthermore, if by the due date for payment, you have not delivered scrip to us, holder identification particulars, or any other information, requirements or payment due, then at our option we may:
- Register a Financing Statement at the Personal Property Securities Register over your Securities;
 - Take possession of your Securities;
 - Buy back or sell on your behalf any of the Securities that are the subject of a Transaction; or
 - Sell any other Securities in our control or possession.
- 14.2 All moneys you pay to us or we receive on your behalf will be applied first, in payment of any interest, secondly, in payment of our Fees and Charges and thirdly, in payment of any outstanding balance in an Account.
- 15. Margin Cover**
- 15.1 If we are to make a Short Sale on your behalf we must first obtain from you margin cover of a minimum of 20% of the contract price of the Short Sale ("Margin Cover").
- 15.2 Any Margin Cover must be provided in cash or in Securities as valued in clause 15.5 or any other valuation as approved by NZX.
- 15.3 If there is a rise in the market price of a Security which has been Short Sold and the Short Sale position is still open, you may be required to provide additional Margin Cover equal to a minimum of 10% of the amount of the increase in market price for that Security, provided that we shall not be obliged to seek such additional margin cover until the rise exceeds 10% of the contract price of the Securities Short Sold.
- 15.4 In addition to clause 15.3, additional Margin Cover is required from you in respect of your Short Sale Orders in the following circumstances:
- If the Securities proposed or provided as Margin Cover are suspended, delisted, placed in receivership or liquidation or the Issuer of those Securities has its operations in any way restricted, either by NZX or the Issuer of that Security or by any legal process ("suspended"), to the extent that the original Margin Cover has been reduced by the deduction of the suspended Securities; or
 - If there is a fall in the market price of any Securities provided as Margin Cover, to the extent required to make up the shortfall.
- 15.5 Securities provided as Margin Cover shall be deemed to have a value at the Current Market Price less the risk-based reductions as set out in Rule 19 of the NZX Participant Rules applying to the Current Assets of a Market Participant Requiring Liquid Capital for capital adequacy purposes.
- 15.6 If you fail to provide any Margin Cover requested at any time by us, by the beginning of the next Normal Trading Session after the demand is made, we may proceed to close out the Short Sale at your risk and expense. If a profit results, we shall account to you accordingly.

- 16. Risk Warnings**
- 16.1** Investment and trading in Securities can present risks that may impact on income and yield performance, and place capital at risk. You need to be aware of these risks that may include but are not limited to market risk, company, sector and country exposure risk, and currency exchange risk, economic and political risk.
- 16.2** In addition to the general risks referred to in clause 16.1, you should note the following specific risks:
- a. The risks of Short Selling of Securities are that the market could move against you and you could suffer loss as a consequence;
 - b. Increased risks are associated with:
 - i. Using borrowed money to purchase investments or applying leverage and gearing via options, warrants, futures or partly paid Securities; or
 - ii. Buying or investing in Securities that are not quoted on a Recognised Securities Exchange.
 - c. The risk of loss in trading derivatives or futures contracts can be substantial and can exceed any deposit or margin that has been provided to cover the futures contracts. The maximum loss in buying an option or warrant is the amount of the premium or the price paid. The risks in selling an option can be the same as in selling futures contracts;
 - d. The risk of equity investments is that it may not be possible to recoup the original investment for reasons such as the:
 - i. Sale price is less than the price paid;
 - ii. Shares cannot be sold as there is no market for them; or
 - iii. Company is placed in receivership or liquidation or is insolvent.
 - e. The risks of interest-bearing investments are:
 - i. Interest payments may not be timely or may not be made in full or at all;
 - ii. It may not be possible to recoup the original investment for reasons such as the:
 - (1) Sale price is less than the price paid;
 - (2) Interest-bearing securities cannot be sold as there is no market for them; or
 - (3) Issuer is placed in receivership or liquidation or is insolvent.
 - f. The risk of managed fund investments is that it may not be possible to recoup the original investment and, in some managed funds, expected income payments may not be timely or may not be made in full or at all.
- 17. Duty of Care**
- 17.1**
- a. When providing advice to you, we have a duty of care to ensure that advice is properly researched and that there is a reasonable basis for any recommendation;
 - b. We must not initiate rumours and must ensure that we properly qualify any information passed to you that has not been personally or independently verified;
 - c. We must at all times maintain standards of objectivity and professionalism that are expected, including when dealing with you when you may be reluctant to accept or act on the advice provided;
 - d. We must at all times place your interests above our interests and in the case of employees, those interests of us as his or her employer, or the person to whom he or she is contracted;
 - e. We will respect and ensure the confidentiality of your information and ensure its use is limited to the purposes for which it was provided;
 - f. We shall not place your assets at unreasonable risk from our own business activities; and
 - g. We will take all steps necessary to properly protect your assets and ensure that these are separately identified from our own assets.
- unable to complete both our client Orders and our principal Orders out of Securities purchased or sold, we will allocate the relevant Securities to our client Orders and our principal Orders at our discretion taking into account:
- a. The overriding obligation that we act in the best interests of our clients;
 - b. The size of each client's Order comparative to any other client Orders and our principal Orders;
 - c. The nature of the instructions or discretion given to us by a client;
 - d. The time of each Order, whether client or principal, 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 may consider appropriate.
- 19. Disclosure of Interests**
- 19.1**
- a. A Prescribed Person may have a Threshold Interest in a Security that you may have an interest in;
 - b. We may be Acting as Principal in a Securities Transaction that you may have an interest in; and
 - c. We may be acting as agent for the buyer and seller in a transaction and may be earning income from both parties to that transaction.
- 20. Bank Account**
- 20.1** If you want us to pay any credit balance in an Account to your bank account, you must notify us in writing of a single bank account number to be used for that purpose. The bank account must be in your name and the bank account number must be confirmed by:
- a. A bank deposit slip with pre-printed (not handwritten) details of the bank account name and number;
 - b. A copy of a cheque for your bank account;
 - c. A copy of a bank statement; or
 - d. A verification letter or other document of confirmation provided by your bank.
- 20.2** If you want to change your bank account details:
- a. You must give us written notice of the changes;
 - b. You must sign the notice; and
 - c. You must provide us with a bank encoded deposit slip or alternative verified evidence of the bank account.
- 20.3** If you instruct us in writing, we may transfer any credit balance in an Account to another Account with auto sweep that we may operate on your behalf and may likewise transfer funds from that Account to any other Account. If you want to change this instruction:
- a. You must give us written notice;
 - b. You must sign the notice; and
 - c. You must provide us with a bank encoded deposit slip or alternative verified evidence of the other bank account.
- 18. Allocation Policy**
- 18.1** Where at any particular time we are

- 21. Cash Management Account**
- 21.1** Where instructed by you, Craigs Investment Partners Limited will administer funds held on your behalf in Pooled Cash Management Account(s) with ANZ National Bank Limited or any successor or other registered banks selected by Craigs Investment Partners Limited in New Zealand or elsewhere. Funds held on your behalf in the Pooled Cash Management Account(s) will be recorded in Cash Management Account(s) in your name. There is a separate Cash Management Account in your name and a separate Pooled Cash Management Account for each currency held. Your Cash Management Account(s) may not go into overdraft. The Pooled Cash Management Account(s) are unsecured debt securities of ANZ National Bank Limited, or any successor or other registered banks selected by Craigs Investment Partners Limited.
- 21.2** Where instructed by you, you appoint the Cash Management Nominee or its Agent to hold funds standing to the credit of the Pooled Cash Management Account(s), as recorded in your Cash Management Account(s), on your behalf as bare trustee until we transfer the funds in accordance with your instructions, the instructions of an Authorised Person or this Client Agreement and we agree to provide you with Cash Management Account services in accordance with this Client Agreement. Certain instructions may be required to be in writing. Legal title to the Pooled Cash Management Account(s) will be in the name of the Cash Management Nominee. You retain beneficial ownership of the funds held in the Pooled Cash Management Account(s) on your behalf. Such beneficial interest will be recorded in your Cash Management Account(s).
- 21.3** The Cash Management Nominee's activities will be limited to holding investments on behalf of clients and administering them on their behalf (which may be for a fee). The Cash Management Nominee will not transfer, exchange, exercise rights attached to or otherwise deal with the funds held on your behalf in the Pooled Cash Management Account(s) except as follows:
- pursuant to this Client Agreement;
 - Where required by law; or
 - On your instructions, the instructions of an Authorised Person or Craigs Investment Partners Limited acting on your instructions or where you have granted Craigs Investment Partners Limited a discretion to do so.
- 21.4** Interest on your Cash Management Account(s) is calculated daily and paid monthly or at such other times ANZ National Bank Limited, or any successor or other registered banks determine in respect of the Pooled Cash Management Account(s). Interest rates are reviewed regularly and are based on the relevant overnight cash rate, bank bill rate or interbank rate as determined by ANZ National Bank Limited or the successor or other registered bank providers of the Pooled Cash Management Account(s) subject to reduction by an amount corresponding to the commission charged by the Cash Management Nominee in respect of your Cash Management Account(s) as outlined in clause 21.5 below. Interest rates may vary as a result of the base rate(s) set and calculated at the discretion of ANZ National Bank Limited or its successor or other registered bank providers of the Pooled Cash Management Account(s) and as a result of the commission charged by the Cash Management Nominee in respect of your Cash Management Account(s). Further information on the current rates applicable to your Cash Management Account(s) may be obtained from your Craigs Investment Partners Adviser.
- 21.5** Cash Management Account(s) do not carry any fees. The gross interest paid to you on your Cash Management Account(s) reflects a reduction from the base rate(s) set and calculated by ANZ National Bank Limited or its successor or other registered banks in respect of the commission charged by the Cash Management Nominee to ANZ National Bank Limited or its successor or other registered bank providers in respect of your Cash Management Account(s). The amount of the commission charged in respect of your Cash Management Account(s) depends on the balance of your Cash Management Account(s). The costs of administering your Cash Management Account(s) by the Cash Management Nominee will be met from the commission charged by it to ANZ National Bank Limited or its successor or other registered banks. You consent to the Cash Management Nominee charging ANZ National Bank Limited or its successor or other registered banks a commission in respect of your Cash Management Account(s) depending on the balance of your Cash Management Account(s). Further information on the commissions can be found in the Disclosure Statement and current rates of gross interest and commissions may be obtained from your Craigs Investment Partners Adviser.
- 21.6** If not already deducted by ANZ National Bank Limited, or any successor or other registered banks, the Cash Management Nominee will deduct resident withholding tax or non-resident withholding tax from the gross amount of interest received by you at the applicable rate as required by law. If you are a non-tax resident, the Cash Management Nominee is lawfully able to pay approved issuer levy in respect of payments of interest to you as a non-tax resident and you elect for the Cash Management Nominee to do so, the Cash Management Nominee shall pay the approved issuer levy to the appropriate authority and deduct an equivalent amount from the relevant payment due to you, as an alternative to the payment of any non-resident withholding tax which would otherwise be payable in relation to the relevant payment.
- 21.7** Where you direct the Cash Management Account(s) to be used for the purpose of settlement of Transactions on your Account and the payment of all fees due under this Client Agreement, you authorise us to debit the Cash Management Account(s) for the purpose of payment of Securities bought by you and the payment of any such fees. In respect of this authority, we agree to credit the Cash Management Account(s) with available proceeds in respect of sale Transactions on your Account.
- 21.8** Cash Management Account transaction statements and account balances (showing the funds recorded in the account(s) held for you) are produced on a six-monthly basis or such other frequency requested and agreed to by us. Each such statement will be sent to your postal address no later than 20 days after the end of each six-month reporting period. An end of year summary detailing resident withholding tax and non-resident withholding tax will be sent to your postal address no later than 20

- working days after each relevant Financial Year.
- 21.9** Where you direct, dividends, interest and other receipts will be deposited directly into Pooled Cash Management Account(s) and credited to your Cash Management Account(s).
- 21.10** The Cash Management Nominee is entitled at any time and in its absolute discretion to appoint an Agent to hold any part of the funds held on your behalf in the Pooled Cash Management Account(s). The provisions of this Client Agreement will apply to any such appointment with all necessary modifications.
- 21.11** The Cash Management Nominee may, at its sole discretion, refuse to:
- Accept (in whole or in part) any deposit of funds in relation to your Cash Management Account(s); and
 - Continue to hold (in whole or in part) any funds in relation to your Cash Management Account(s) and if so, will repay such funds to you.
- 21.12** You hereby irrevocably direct that, if you are indebted to us, we may direct the Cash Management Nominee to pay any amount standing to the credit of your Cash Management Account(s) to us in satisfaction of such debt.
- 21.13** This agreement to provide you with the Cash Management Account(s) may be terminated at any time by you or us. If you or we terminate this agreement to provide you with the Cash Management Account(s) or the Client Agreement for any reason under clause 31, then as soon as reasonably practicable after the termination, the Cash Management Nominee shall repay the funds held on your behalf in your Cash Management Account(s) less any amounts paid in accordance with clause 21.12 to your bank account. Upon termination of this Client Agreement or closing any of your Cash Management Account(s):
- Interest accrued is only required to be paid upon receipt into the Pooled Cash Management Account(s) from ANZ National Bank Limited, or the successor or other registered banks; and
 - We may (but are not obliged to) pay you the amount of interest accrued (but which remains unpaid) in respect of your Cash Management Account(s) to the date of repayment prior to receipt of the same from ANZ National Bank Limited, or the successor or other registered banks. If we do so, you hereby irrevocably direct that you have no interest in the amount of interest subsequently received from ANZ National Bank Limited, or the successor or other registered banks in respect of that accrued (but unpaid) interest and that such accrued (but unpaid) interest shall be paid to us.
- 22. Dispute Resolution**
- 22.1** If a party has any dispute with the other party in connection with this Client Agreement:
- That party will promptly give full written particulars of the dispute to the other; and
 - The parties will promptly meet together and in good faith try and resolve the dispute.
- 22.2** If the parties are unable to resolve the dispute, the matter shall be referred to the Head of Compliance who may take such action as he/she shall deem appropriate.
- 22.3** If an appropriate outcome cannot be achieved you may direct any complaints to:
- Financial Services Complaints Limited (FSCL):**
PO Box 5967, Lambton Quay, Wellington, 6145
Email: info@fscl.org.nz
or to
- NZX Market Supervision:**
Level 2, NZX Centre,
11 Cable Street, PO Box 2959
DX: SP23501
Wellington, New Zealand
- 23. Custody Services (if applicable)**
- 23.1** You agree to appoint the Nominee to hold your Custody Investments as bare trustee and to provide you with Custody services in accordance with this Client Agreement.
- 23.2** Except where Securities are purchased by us on your behalf, you shall deliver to us all necessary documentation and information and sign any documentation reasonably requested by us from time to time to enable us to transfer Securities to the Nominee or the Nominee's Agent.
- 23.3** You represent and warrant to us that:
- You are the beneficial owner of the Custody Investments, or you act as trustee on behalf of the beneficial owner;
 - You will provide details of the beneficial owner, if required by us; and
 - The Custody Investments are free and clear of any security interest or other impediment.
- 23.4** Legal title to Custody Investments will be in the name of the Nominee or the Nominee's Agent. Custody Investments will be held by the Nominee or its Agent as bare trustee until we receive instructions from you either to sell Securities or to transfer Securities into your name or to a person nominated by you. You retain beneficial ownership of Custody Investments.
- 23.5** In accordance with the NZX Participant Rules, the Nominee will record and hold Custody Investments in a separate portfolio in its books segregated from assets belonging to the Nominee.
- 23.6** The Nominee will not transfer, exchange, exercise rights attached to or otherwise deal with the Custody Investments except as follows:
- Pursuant to this Client Agreement;
 - Where required by law; or
 - On your instructions or the instructions of an Authorised Person.
- 23.7** Notwithstanding clause 23.6, we may sell or otherwise deal with all subscription and other rights for which we have not received instructions, after having provided you with a Notice requesting your instructions. Where entitlements have been actioned on your behalf, using our own funds, and we have not received your instructions, or you subsequently waive your subscription or other rights, we will dispose of the subscription or other rights (or resultant security), and we will retain any profit or loss that is derived from the disposal, in accordance with this clause.
- 23.8** All reports, notices, proxies, offers and other communications ("Communications") in respect of Custody Investments will be sent to the Nominee. You acknowledge and agree that we do not have any duty or responsibility to:
- Forward Communications to you;
 - Attend any meetings or vote in respect of any of the Custody Investments or proxies; or
 - Act where the nature of the offer is such that in our reasonable opinion it is not practicable for us to deal with that offer.
- 23.9** You acknowledge that from time to time offers may be made to the Nominee under a share purchase plan, or under some other offer

- which is made to holders of Securities without regard to the number of Securities held or to whether the Securities are held on behalf of third parties, and that in such circumstances the benefits to you of the offer may be less than would have been the case had the securities been held in your own name.
- 23.10** The Nominee is entitled at any time and in its absolute discretion to appoint an Agent to hold any part of the Custody Investments. The provisions of this Client Agreement will apply to any such appointment with all necessary modifications. You authorise the Nominee to appoint an Agent pursuant to this clause 23.10.
- 23.11** You must obtain the written consent of a nominee that is not associated with us, before we complete a Client Outward Transfer on your behalf into the name of that nominee.
- 23.12** For the avoidance of doubt, this Client Agreement shall not be deemed to terminate solely as a result of any change in Custody Investments from time to time or because at any given time no Custody Investments are held by us.
- 23.13** We will prepare a report for your Securities held in Custody, on a six-monthly basis ("Report"). Each Report will be sent to your postal address no later than 20 working days after the end of each six-month reporting period. A fee will be charged for this service.
- 23.14** An end-of-year summary detailing income and dividends, including resident withholding tax, imputation credits, withholding tax and management fees as at the end of the financial year recorded by you in this Client Agreement ("Financial Year") will be sent to your postal address no later than 20 working days after each relevant Financial Year.
- 23.15** If we have not advised you of all material changes in Securities held in Custody between Reports, any material changes will be advised to you in the next Report after any such material change.
- 23.16** The Nominee may, at its sole discretion, refuse to:
- a. Accept (in whole or in part) any transfer or deposit of Custody Investments; and
 - b. Continue to hold (in whole or in part) any Custody Investments and if so, will re-deliver such Custody Investments to you.
- 23.17** You shall bear all reasonable costs and risks of re-delivery of the Custody Investments to you or another party, if instructed by you, whether upon termination of Custody Services, termination of this Client Agreement or otherwise.
- 23.18** If you are indebted to the Nominee in respect of Custody Investments, the Nominee may decline to re-deliver Custody Investments to you until such debt has been discharged.
- 24. Termination of Custody Services (if applicable)**
- 24.1** The agreement to provide you with Custody Services may be terminated at any time by either the Client or the Nominee by giving not less than one month's written notice of termination. Termination shall be effective immediately following the receipt of such notice or on the date specified in the notice, if later.
- 24.2** If you or we terminate this Client Agreement for any reason under Clause 31 of this Client Agreement, then as soon as reasonably practicable after the termination, the Nominee shall re-deliver Custody Investments held by the Nominee to you.
- 24.3** Such re-delivery of Custody Investments will be made by transferring the legal ownership of Custody Investments to you.
- 24.4** The Nominee's obligations to re-deliver Custody Investments to you shall be made subject to:
- a. Compliance with applicable laws or regulatory requirements and to reasonable notice having been given to and received by the Nominee; and
 - b. The NZX Participant Rules or the rules of any other relevant Recognised Securities Exchange or Agent, provided that the Nominee may make such arrangements as it deems appropriate and, where applicable, at your expense in order that prompt delivery may be made.
- 25. Monitoring Services (if applicable)**
- 25.1** Monitoring Services will be provided to you in accordance with this Client Agreement.
- 26. Privacy Act 1993**
- 26.1** You authorise us to:
- a. Hold personal information about you and any Authorised Persons for the purpose of carrying out your instructions, administering an Account, and for our own marketing purposes;
 - b. Record all telephone conversations between you and/or any Authorised Persons and us;
 - c. Record and identify the calling telephone from which you and/or any Authorised Persons instruct us;
 - d. Disclose information about you and any Authorised Persons when required by law or under the NZX Participant Rules or, in relation to your Cash Management Account(s), to ANZ National Bank Limited or such other successor or other registered banks selected by us, to the extent required so they can comply with law; and
 - e. Obtain credit information concerning you and any Authorised Persons if we consider it relevant to determine whether to agree to perform Services or administer the Account, or collect any unpaid balance on the Account from you.
- 26.2** You do have rights of access to, and correction of personal information supplied to and held by us.
- 26.3** Each Authorised Person does have rights of access to, and correction of personal information supplied to and held by us.
- 27. Disclaimer**
- 27.1** You agree that where our Services are acquired for business purposes, or where you hold yourself out as acquiring our Services for business purposes, the Consumer Guarantees Act 1993 ("the CGA") will not apply to any supply of goods or services made under this Client Agreement. Nothing in this Client Agreement will limit or abrogate your rights and remedies under the CGA except to the extent that contracting out is permitted under the CGA and all provisions of this Client Agreement will be modified to the extent necessary to give effect to that intention.
- 27.2** Subject to clause 17, we will not be liable to you for any direct loss you suffer in respect of Services supplied to you, except where your loss is caused by our gross negligence or willful default.
- 27.3** We will not be liable to you for any indirect or consequential loss you suffer in respect of Services supplied to you.
- 27.4** Without limitation to any term of this Client Agreement, we

are not liable where we have taken reasonable endeavours to protect your Authorisation Code from unauthorised use and/or unauthorised access.

27.5 You acknowledge that:

- a. Subject to clause 17, our advice is necessarily based on information provided to us by other people which may not be personally or independently verified by us (“information from third parties”);
- b. Subject to clause 17, we are entitled to rely on information from third parties and we are under no obligation to verify or investigate that information in any way. We will not be liable under any circumstances where we rely on information from third parties;
- c. Our Services do not include tax advice. We recommend that you consult your tax adviser before making a decision to invest or trade in Securities;
- d. It is your responsibility to provide us with full and accurate details of your financial position (“the Financial Information”) and for you to provide us with ongoing updates of any material changes to the Financial Information. The Financial Information is required by us to enable us to accurately assess your investment needs, your investment objectives and your risk profile;
- e. Our investment advice and securities recommendations to you will be based on Financial Information that you provide to us. If that Financial Information is incomplete and/or inaccurate, our investment advice and securities recommendations to you may also be incomplete and/or inaccurate; and
- f. It is your responsibility to:
 - i. Satisfy yourself that our investment advice or securities recommendations to you are appropriate to your circumstances; and
 - ii. Make further enquiries as should reasonably be made by you before making a decision to invest or trade in Securities particularly in relation to Securities that are not quoted on a Recognised Securities Exchange.

27.6 We will use all reasonable endeavours to execute your instructions as soon as possible

after we accept them, but we will be under no liability for any loss or expense which arises as a result of us being unable to fulfil your Order (either in whole or in part) for any reason whatsoever, or as a result of any change in market conditions or any other event beyond our control between the acceptance of your Order and the execution of that Order.

27.7 We will not be liable for any failure to perform our obligations under this Client Agreement if such failure is caused by any event of force majeure beyond our reasonable control, or the reasonable control of our employees, agents or contractors. For the purposes of this clause, an event of force majeure includes (but is not limited to) any inability to communicate with market makers or with other brokers, financial intermediaries or any stock exchange, failure of any computer dealing or settlement system, inability to obtain the necessary supplies for the proper conduct of business, and the actions or failures of any counter party or any other broker or agent, or of the systems of that broker or agent.

27.8 We may from time to time provide stock broking, investment banking, advisory or other services to companies and other entities in whose Securities we may deal on your behalf. The provision of such services does not affect our obligations to you or any advice provided by us to you and you acknowledge that we may act for both parties or as principal in any transaction.

27.9 The provisions of this Clause 27 will extend to all our employees, agents and contractors, and to all corporate entities in which we may have an interest and to all entities which may distribute our publications. Those parties are intended to take a benefit under our Client Agreement for the purposes of the Contracts (Privity) Act 1982.

28. Our Fees and Charges for Services

28.1 We will charge you such:

- a. Fees for Services as we may set from time to time or as agreed between you and us from time to time; and
- b. Charges for Services which include (but are not limited to):
 - i. Brokerage and any other fees, charges, duties and taxes at

the rate or rates notified by us to you from time to time either generally or in respect of a particular Transaction;

- ii. Any agency fees and other charges incurred in effecting an overseas Transaction; and
- iii. Any charges, levies or penalties imposed by an Agent, another broker or by NZX or other Recognised Securities Exchange including (but not limited to) charges, levies or penalties imposed as a result of late or non-delivery of scrip, holder identification particulars or any other information or requirements; (“Fees and Charges”).

28.2 You must pay to us our Fees and Charges, on demand.

28.3 You authorise us to:

- a. Debit our Fees and Charges from an Account; or if there are no funds in an Account; and
- b. Sell any Securities in our control or possession, such sale of Securities realising a net monetary amount sufficient to clear the amount of our Fees and Charges due and payable by you.

29. Fees and/or Commissions In Respect of Investments Made on Your Behalf

29.1 We may from time to time receive or may have received fees and/or commissions in respect of investments made by us on your behalf or on behalf of other clients, or may purchase or sell Securities at a different price from that at which they are sold to or bought from you.

29.2 You acknowledge that we receive fees and/or commissions from persons other than you in respect of the provisions of Services to you. You consent to us receiving such fees and/or commissions.

30. Security Interest and Set-Off

30.1 You agree and acknowledge that to the extent necessary to repay all moneys due from you to us we have a security interest over your Securities.

30.2 You authorise us to apply (without prior notice or demand) any credit balance we hold on your behalf towards satisfaction of any indebtedness due by you to us. The rights contained in this clause 30.2 are contractual rights only and do not create any security interest in our favour.

- 31. Termination of this Client Agreement**
- 31.1** Either you or we may terminate this Client Agreement by giving written notice to the other. Termination will be effective upon receipt of the notice by the other party.
- 31.2** We may terminate this Client Agreement with you without prior notice. Examples are (this list is not exhaustive):
- Complying with a court order;
 - If you have acted unlawfully;
 - If you have breached this Client Agreement;
 - If you are insolvent or in liquidation or bankruptcy; or
 - You have not paid Fees and Charges due under this Client Agreement by the due date.
- 31.3** If either you or we terminate this Client Agreement you will still be responsible for any Transaction made up to the time of termination, any outstanding debit balances in an Account and our Fees and Charges for Services rendered to you.
- 31.4** The termination provisions of the Custody services of this Client Agreement will apply, if applicable.
- 32. Assignment**
- 32.1** You agree that this Client Agreement binds you personally and you will not assign any of your rights or obligations under it. Any such purported assignment will be ineffective.
- 32.2** We may assign all or any of our rights, and transfer all or any of our obligations under this Client Agreement to any person or persons.
- 33. Joint Clients**
- 33.1** All joint Clients are jointly and severally liable under this Client Agreement. Unless otherwise agreed in writing, we may, but are not required to, action the instructions of any one joint Client.
- 34. Minors**
- 34.1** If a Minor applies to become a Client, one of the Minor's parents or the Minor's guardian must be a party to this Client Agreement.
- 34.2** While this Client Agreement will be between us and the relevant parent(s) or guardian of the Minor, any Securities that the parent, guardian or Authorised Person instructs us to purchase will be registered into the name of the Minor or otherwise as directed in accordance with this Client Agreement.
- 35. Limitation of Liability of Independent Trustee**
- 35.1** If you are entering into this Client Agreement in the capacity as a trustee of a trust, and you are an Independent Trustee, then your liabilities and obligations will not be unlimited personal liabilities and obligations, but will be liabilities and obligations to pay the liabilities and meet the obligations out of the trust assets which are held by the trustees of the trust. However, to the extent that those trust assets have been reduced as a result of dishonesty or wilful default (but not negligence) of an Independent Trustee and are thereby not available to meet the obligations and liabilities of the Independent Trustee then, to that extent, the Independent Trustee's liabilities and obligations will be unlimited personal liabilities and obligations. You are an 'Independent Trustee' for the purposes of this clause if you have signed the Agreement as Trustee and neither you, nor any spouse (de facto or otherwise), civil union partner, child or grandchild:
- Is a beneficiary (discretionary or otherwise); or
 - Has a power of appointment of additional beneficiaries under the Trust.
- 36. Indemnity**
- 36.1** You must, on demand being made by us and our partners, affiliated persons, officers and employees, indemnify us against any and all losses, costs, claims, damages, penalties, fines, expenses and liabilities which we may incur or suffer as a result of:
- Any breach of this Client Agreement on your part, or on the part of any Authorised Person or on the part of any person for whom you are responsible in terms of this Client Agreement;
 - Us relying in good faith on, and implementing instructions given by a person who is not an Authorised Person unless there were reasonable grounds for us to doubt the identity or authority of that person;
 - Us having to pay funds to any other party in settlement of a Transaction where you have failed to place funds with us for that Transaction by the due date for payment;
 - Us having to purchase Securities as a result of you instructing us to sell a greater number of Securities than you own; or
- e. Us relying in good faith on information you have either provided to us or made available to us.
- 37. Guarantee (if applicable)**
- 37.1** The Guarantor acknowledges that we have entered into this Client Agreement with you at the Guarantor's request.
- 37.2** The Guarantor unconditionally and irrevocably guarantees to us the due and punctual payment by you of all moneys from time to time payable by you under this Client Agreement and the due performance by you of all of your other obligations under this Client Agreement.
- 37.3** The liability of the Guarantor under this guarantee is a principal obligation of the Guarantor and such liability is not relieved or in any way affected in a manner prejudicial to us by any granting of time, waiver or forbearance to sue on our behalf or by any other act, omission, matter, circumstance or law whereby the Guarantor as a surety only would, but for the provisions of this clause have been released from liability.
- 38. Amendments**
- 38.1** Subject to relevant New Zealand legislation and clause 2.3, we may, at our sole discretion, amend this Client Agreement by giving one month's prior notice to you either by:
- Direct communication with you by telephone, by post, by facsimile or by e-mail;
 - Displaying information at our branches;
 - Noting on our website; or
 - Any other medium we may choose.
- 38.2** You may request a copy of our latest Terms and Conditions by contacting your local branch of Craigs Investment Partners or your usual Investment Adviser.
- 38.3** Use of our Services will constitute an acceptance of any amendments for which notice has been given in accordance with clause 38.1.
- 39. Notices**
- 39.1**
- Any notice or other communication ("notice") given under this Client Agreement must be in writing;
 - It may be served personally or sent to any of the relevant party's communication points in this Client Agreement; and
 - Each party will notify the other in writing of any changes.

- 39.2 Any notice is deemed served or received at the following times:
- When given personally, upon delivery;
 - When sent by post (other than airmail) or document exchange, 3 working days after posting;
 - When sent airmail outside New Zealand, 5 working days after posting; or
 - When sent by facsimile or e-mail, on the day it is sent by facsimile or e-mail to the correct facsimile number or e-mail address.

39.3 Any notice that has been served on a Saturday, Sunday or public holiday is deemed to be served on the first working day after that day.

39.4 A notice may be given by an authorised officer, employee or agent.

- 39.5
- Notice may be given personally to a director, employee or agent of the party at that party's address or to a person who appears to be in charge at the time of delivery or according to section 387 to section 390 of the Companies Act 1993; and
 - If the party is a natural person, partnership or association, the notice may be given to that person or any partner or responsible person. If they refuse to accept the notice, it may be brought to their attention and left in a place accessible to them.

40. Governing Law and Jurisdiction

40.1 This Client Agreement is governed by and construed according to the current laws of New Zealand. The parties agree to submit to the non-exclusive jurisdiction of the Courts of New Zealand.

41. Definitions

- 41.1 **"Account"** means an account with us opened in your name in accordance with this Client Agreement or where we have or will open several accounts in your name, it shall mean all such accounts jointly and severally.
- "Agent"** means any sub-nominee, sub-custodian or agent appointed by the Nominee at any time pursuant to this Client Agreement or otherwise employed by the Nominee to provide all or part of the Custody services.
- "Authorised Persons"** means person(s) named in this Client Agreement, as amended by written notice from you from time to time.

"Cash Management Account(s)" means the ledger or ledgers maintained by the Cash Management Nominee recording the funds held on your behalf in the Pooled Cash Management Account(s) or those funds (as applicable).

"Cash Management Nominee" means CIP Cash Management Nominees Limited or any other Nominee selected by us.

"CIP Disclosure Statement" means our Disclosure Statement.

"Client" means the person in whose name an Account has been opened.

"Client Agreement" means the client agreement section, these Terms and Conditions and the Disclosure of Money and Property Handling Procedures.

"Contract Note" means the contract note to be sent by us to you confirming each Transaction, showing details of price, number of Securities traded and our Fees and Charges.

"Custody Investments" means Securities, and any other type of assets, of which you are the owner, that a Nominee agrees to hold (or to have held by an Agent) on your behalf in accordance with this Client Agreement.

"Custody Services" means the custodial services provided by a Nominee.

"Financial Adviser Service" has the same meaning as in section 15 of the Financial Advisers Act 2008.

- A financial adviser service is a personalised service if:
 - It is given to, or in respect of, a named client or a client that is otherwise readily identifiable by the financial adviser; and
 - Either–
 - The financial adviser has taken into account the client's particular financial situation or goals (or any 1 or more of them) in providing the service; or
 - A client would, in the circumstances in which the service is provided, reasonably expect the financial adviser to take into account the client's particular financial situation or goals (or any 1 or more of them).

- A service is not personalised merely because the client comes within a class of persons having predefined characteristics and the financial adviser takes the fact that the client comes within that class into account.

- A financial adviser service is a class service if it is not a personalised service.

"Financing Statement" has the same meaning as in section 135 of the Personal Property Securities Act 1999.

"Guarantor" means the Client's guarantor (if any).

"Independent Trustee" means a person who does not have any right to or interest in any of the assets of the trust except in their capacity as a trustee of the trust.

"Minor" means a person under the age of 18 years.

"Monitoring Services" include (without limitation):

- The establishment of an investment portfolio specific to your requirements ("the Portfolio");
- Reviewing and monitoring the performance of the Portfolio on a regular basis;
- Receiving instructions from you in relation to the Portfolio; and
- Advising you, as required.

"Nominee" means Custodial Services Limited, CIP Cash Management Nominees Limited or Hendry Nominees Limited or any other person selected by us to provide Custody services or to hold Pooled Cash Management Account(s) from time to time.

"NZX Participant Rules" means the NZX Participant Rules 2004, as amended from time to time.

"Offer" means the issue of new Securities to the public.

"Pooled Cash Management Account(s)" means the deposit facility or facilities held by the Cash Management Nominee and operated pursuant to clause 21.1.

"Securities" means any investment or security, including but not limited to shares, debenture stock, bonds, notes, interests in unit trusts, options, warrants and all other securities in New Zealand and overseas.

"Security Interest" has the same meaning as in section 17 of the Personal Property Securities Act 1999.

“Services” include but are not limited to the following:

- a. Buying and selling Securities on your behalf;
- b. General investment advice;
- c. The investment of deposits (secured and unsecured) with financial institutions;
- d. Custody services; and
- e. Monitoring Services.

“Transaction” means a transaction effected or to be effected by us pursuant to your instructions.

“Threshold Interest” relates to a defined limit (either percentage or dollar value) of ownership in a Security where the owner must disclose his/her interest when giving advice on that Security. When providing advice, Craigs Investment Partners Advisers must disclose their threshold interests relevant to that advice being given. Threshold value is determined at the discretion of Craigs Investment Partners and currently stands at \$100,000NZD. A threshold interest for a CIP Research Analyst is an interest that exceeds one share, in the relevant security.

“Working day” means Trading Day.

- e. A reference to a party includes the party’s administrators, successors and permitted assigns;
- f. Words in the plural include the singular and vice versa;
- g. Headings are inserted for convenience only and will be ignored in construing these Terms and Conditions;
- h. References to any legislation includes statutory regulations, rules, orders or instruments made pursuant to that legislation and any amendments, re-enactments, or replacements;
- i. Expressions referring to writing will be construed as including references to words printed, typewritten, produced by facsimile or by e-mail or otherwise traced, copied or reproduced; and

42.2 This Client Agreement is intended to benefit and be enforceable by Craigs Investment Partners Limited, the Nominee and related companies (as defined in section 2 (3) of the Companies Act 1993) in accordance with the Contracts (Privity) Act 1982.

42. General Interpretation

42.1 In these Terms and Conditions:

- a. Unless the context otherwise requires, references to:
 - i. “we”, “us”, “our” and “Craigs Investment Partners” refer to Craigs Investment Partners Limited, the Nominee, and related companies (as defined in section 2(3) of the Companies Act 1993); and
 - ii. “you”, “your” and “yourself” are references to the Client and where appropriate to a Minor or any person(s) who you have advised us are authorised to act on your behalf.
- b. All words and expressions given a particular meaning in the NZX Participant Rules shall have the same meaning in these Terms and Conditions;
- c. Words implying natural persons include trusts, deceased estates, companies, incorporated societies, partnerships and unincorporated entities;
- d. A reference to this Client Agreement (including these Terms and Conditions) includes a reference to that agreement as novated, altered or replaced from time to time;

Disclosure of Money and Property Handling Procedures

Pursuant to the Securities Markets Act 1988 ("the Act")

The following disclosures, pursuant to the Act, are made on behalf of Craigs Investment Partners Limited, its Investment Advisers and investment brokers who act on behalf of Craigs Investment Partners Limited jointly and severally:

How Craigs Investment Partners Limited handles your money and property

1. Payment of Money

1.1 Money for buy Transactions can be made:

- a. By personal or bank cheque made payable to "Craigs Investment Partners Limited Client Funds Account" and crossed "non transferable" and "A/c Payee only";
- b. By us debiting your Craigs Investment Partners Cash Management Account; or
- c. By you direct crediting our bank account as follows:

Account Name:

Craigs Investment Partners Limited Client Funds Account

Bank and Branch:

The National Bank of New Zealand,
Cnr Spring and Grey Streets,
Tauranga

Account Number:

06 0433 0083235 02

We do not accept payment by cash.

1.2 Payment of sale Transactions will be settled by us by cheque or direct credit into your Craigs Investment Partners Cash Management Account or nominated bank account.

2. Holding of Money

Money received from you will be held on trust for you in our Client Funds Account and will be held in

our Client Funds Account until it has been disbursed in accordance with your instructions. We may however, withdraw money from funds held on trust for you for Fees and Charges owed by you to us. Money paid to us by you or money held by us for you pending investment, reinvestment, payment to you, or for any other reason, may attract interest from the bank where it is deposited. Such interest will be deducted from the bank account and retained by us.

3. Use of Money

Except as provided by law, we may use money in our settlement accounts for the purpose of fulfilling your Orders and for the purposes set out in this Client Agreement with you.

4. Holding Property

4.1 Buy Transactions

Once buy Transactions have been settled the Securities will either be registered in your name or on your request, in the name of a Nominee. When Securities are registered in the name of a Nominee, they will be held by that Nominee as bare trustee for you until we receive instructions from you either to sell the Securities or to transfer the Securities into your name or to a person nominated by you.

4.2 Sell Transactions

When you request us to sell Securities which are traded through the NZX, we will initially transfer those Securities into our Transfer Account until your instructions can be complied with and we have received an NZX confirmed Trade. Securities in our Transfer Account are held on trust for our Clients with uncompleted contracts until the orders can be completed.

5. Recognised Securities Exchange Investments

Transactions involving Securities listed on NZX or other Recognised Securities Exchanges are subject to specific rules and regulations as to payment of moneys and delivery of documents. Penalties will apply for breach of these requirements. Specific details are available from and will be made available by your Investment Adviser, on request.

6. Record Keeping

- 6.1 Full accounting records are kept by us showing the receipt and disbursement of all moneys. We also keep records of all Securities held on your behalf.
- 6.2 If you purchase or sell Securities through us you will be sent confirmation of the Transaction.
- 6.3 You may request details of your Transactions at any time during a working day. Details of these records will be provided to you at no charge.

7. Supervision by NZX

As an NZX Firm, we must report to NZX on a regular basis, such reporting to be not less than monthly. We are also subject to random visits by NZX Inspectors.

BRANCH DIRECTORY

Craigs Investment Partners
HEAD OFFICE – TAURANGA
Craigs Investment Partners House
158 Cameron Road
PO Box 13 155, Tauranga 3141

KERIKERI

Hobson House
14 Hobson Avenue
PO Box 841, Kerikeri 0245
Tel: (09) 407 7926, Fax: (09) 407 7429
Email: kerikeri@craigsip.com

WHANGAREI

1 Robert Street
PO Box 573, Whangarei 0140
Tel: (09) 438 1988, Fax: (09) 438 5167
Email: whangarei@craigsip.com

NORTH SHORE

Level 3, Takapuna Finance Centre
159 Hurstmere Road
PO Box 33 352, Takapuna 0740
Tel: (09) 486 6567, Fax: (09) 486 6607
Email: northshore@craigsip.com

AUCKLAND

Level 32, Vero Centre
48 Shortland Street
PO Box 1196, Auckland 1140
Tel: (09) 919 7400, Fax: (09) 303 2520
Email: auckland@craigsip.com

HAMILTON

Cnr Rostrevor & Victoria Streets
PO Box 1282, Hamilton 3240
Tel: (07) 838 1818, Fax: (07) 838 0828
Email: hamilton@craigsip.com

TAURANGA

Craigs Investment Partners House
158 Cameron Road
PO Box 13 155, Tauranga 3141
Tel: (07) 577 6049, Fax: (07) 578 8416
Email: tauranga@craigsip.com

ROTORUA

Level 3, 1109 Fenton Street
PO Box 1148, Rotorua 3040
Tel: (07) 348 1860, Fax: (07) 348 1863
Email: rotorua@craigsip.com

GISBORNE

75 Childers Road
PO Box 153, Gisborne 4040
Tel: (06) 868 1155, Fax: (06) 868 1154
Email: gisborne@craigsip.com

NEW PLYMOUTH

54 Currie Street
PO Box 8011, New Plymouth 4342
Tel: (06) 759 0015, Fax: (06) 759 0016
Email: newplymouth@craigsip.com

WANGANUI

41 Victoria Avenue
PO Box 63, Wanganui 4540
Tel: (06) 349 0030, Fax: (06) 348 5523
Email: wanganui@craigsip.com

PALMERSTON NORTH

First Floor
Corner Broadway Avenue & Vivian Street
PO Box 1543, Palmerston North 4440
Tel: (06) 953 3460 Fax: (06) 953 0640
Email: palmerstonnorth@craigsip.com

WELLINGTON

Level 11, Craigs Investment Partners House
36 Customhouse Quay
PO Box 10 556, Wellington 6143
Tel: (04) 917 4330, Fax: (04) 917 4350
Email: wellington@craigsip.com

BLENHEIM

52 Scott Street
PO Box 678, Blenheim 7240
Tel: (03) 577 7410, Fax: (03) 577 7440
Email: blenheim@craigsip.com

CHRISTCHURCH

12 Moorhouse Avenue
Addington
PO Box 90, Christchurch 8140
Tel: (03) 379 3433, Fax: (03) 379 5687
Email: christchurch@craigsip.com

DUNEDIN

1st Floor, Craigs Investment Partners House
330 Moray Place
PO Box 5545, Dunedin 9058
Tel: (03) 477 5900, Fax: (03) 477 6743
Email: dunedin@craigsip.com

GORE

120 Main Street
PO Box 317, Gore 9740
Tel: (03) 208 9310, Fax: (03) 208 4161
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