



# International Trading Terms

Effective from July 2023

Wilsons Advisory and Stockbroking Limited ("Wilsons")

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AFS Licence 238375

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## INTERNATIONAL TRADING TERMS

### Definitions

**Agreement** means the agreement made by Wilsons and you (as defined in the Wilsons Trading Terms, as amended from time to time).

**International Custodian** means any person we arrange from time to time to hold your International Financial Products in accordance with these International Trading Terms.

**International Financial Product** means a financial product traded on a global exchange or which is offered outside of Australia as an over the counter product or service and includes, but is not limited to, stocks, shares, bonds, debentures or other debt securities, notes, rights, units, options, spot FX, forward FX, exchange traded funds (ETFs), derivatives, any other financial products (whether or not they would be regulated as such if covered by Australian law) representing rights to receive, purchase or subscribe or apply for them.

**International Portfolio** means all International Financial Products held from time to time by an international service provider for you as arranged under these International Trading Terms.

**International service provider** means any bank, broker, settlement or clearing agent or custodian appointed by us from time to time.

**International Trading** means dealing (including acting on your behalf and arranging for you) in International Financial Products.

**International Trading Terms (ITT)** means these terms, amending the Agreement in respect of the International Financial Products dealt for you under these terms.

**Proscribed Person** means a person who appears to us either (a) to be a proscribed person or entity under the Charter of the United Nations Act 1945 (Commonwealth); (b) to be in breach of the laws of any jurisdiction relating to money laundering or counter-terrorism; (c) to appear in a list of persons with whom dealings are proscribed by the government or a regulatory authority of any jurisdiction; or (d) act on behalf, or for the benefit of, a person listed in sub-paragraphs (a) – (c).

**“you” or “your”** means the person or persons who is the Client pursuant to the Agreement.

**Wilsons** means Wilsons Advisory and Stockbroking Limited ABN 68 010 529 665 AFS Licence 238375.

## International Trading Terms

1. These International Trading Terms apply to our services and all other dealings between you and us for International Trading through your Account with us.
2. This is an amendment to the Agreement pursuant to clause 22.1 b and 22.1 c (being the agreement between Wilsons for our services to you for your stockbroking account). Pursuant to clause 1.3 of the Agreement, these International Trading Terms prevail over any inconsistent term in the remainder of the Agreement (unless that is prohibited by law).
3. Your appointment of Wilsons and each Authorised Attorney under clause 2.1 of the Agreement includes appointment for us to execute, arrange, or arrange facilities for execution of trades in International Financial Products and to arrange associated payment, settlement and custody services. These are your service providers for your Account. They are agents or service providers for your Account (and not acting as agent for us in our services to you).
4. Notwithstanding any other provision of the Agreement, your appointment of us for International Trading includes the power to enter into documents in your name or for services to you even if the document is not disclosed in or with the Agreement.
5. Any dealings between us and an international service provider, or between you and an international service provider, may also be subject to the terms and conditions of services provided by the international service provider (and they may be subject to the laws and exchange rules in force in another country).
6. You agree that an international service provider may exercise any rights that we or any other international service provider may have under or because of these International Trading Terms.
7. You and we will be bound by the local laws, rules, customs, usages and practices, including as to taxation, of the country in which any dealing is either wholly or partly transacted under these International Trading Terms.
8. Without limiting clause 18 of the Agreement, we will exercise reasonable care in selecting the international service providers based on information they provide or which is publicly available, but we will not independently verify the information nor do we represent or warrant that the international service providers are and will remain solvent, will comply with their statutory and contractual duties to you and will not commit fraud or negligence that harms you.
9. We will not be liable for any losses sustained or incurred by you by reason of any act, omission, fraud or negligence of any of the international service providers or if they become insolvent, in any of those cases except to the extent one or more of the following applies:

- a. applicable law prohibits any limitation on or disclaimer of liability by these ITT<sup>1</sup>;
- b. we rely on a legislative instrument for relief from applicable law which has provisions that prohibit any limitation on or disclaimer of liability by these ITT<sup>2</sup>;
- c. we have failed to exercise reasonable care in selecting the international service provider based on the limited review processes described above.

## Dealing

10. You acknowledge that when dealing in International Financial Products under these International Trading Terms you do not have the right to obtain physical delivery of those securities if those International Financial Products are registered in the name of a custodian acting for you.
11. We or an international service provider may deposit in one or more cash accounts all moneys received on your behalf relating to the International Portfolio. A cash account may be held in our name or that of the international service provider or you, as we or an international service provider considers is reasonable in order to provide services to you or for your benefit. Any such account will be denominated in the currency of the country in which you wish to deal.
12. The International service provider may not be permitted to open a new international Client Account based on the following:
  - a. a US Person or acting on behalf of a US Person;
  - b. a Shell Bank;
  - c. any account that is set up as an omnibus account of a bank, financial entity or other institution; and
  - d. a person from a Prohibited Jurisdiction.
13. If you become a US tax resident or US citizen, you must inform us within 30 calendar days of any change.
14. You must pay us or the international service provider on demand all fees and charges and indemnify us for any liabilities arising from the operation of accounts (including custody and cash accounts) by us or the international service provider on your behalf. You authorise and direct us to make the payment by withdrawing from the cash balance of your Account with us and forwarding the payment to us or the relevant international service provider without further notice to you.
15. Orders to buy or sell International Financial Products:
  - a. may only be valid for terms which we determine from time to time and within the maximum terms allowed on the relevant global securities exchange or which we set for an issuer of the International Financial Product;
  - b. may be rejected or refused, for any reason and without giving you notice of that or the reasons;
  - c. may be given in one of the following ways (or in any other way we agree): (a) through your financial adviser; (b) through any portal or dealing service provided and notified to you by us;

- d. must have any information which we request in order to accept your orders;
  - e. are your responsibility for their accuracy and completeness;
  - f. cannot be varied or cancelled until your request has been notified by us or by you by the way which the relevant international service provider prescribes and confirmation of the variation or cancellation from the international service provider has been received by us or you; and
  - g. are subject to our reasonable efforts to execute or arrange execution of your instructions.
16. We will not be responsible for delays or errors in the transmission or execution of your orders. You acknowledge that international time differences and timing of public holidays or other similar observances may lead to delays in receipt of instructions and execution by the international service providers.
17. You acknowledge that we make all reasonable attempts to enter your instructions to buy or sell International Financial Products as quickly as possible (subject to our policies) and will not be liable for any claims for lost opportunity if delays occur, either due to our internal processes and resources, to an international service provider or for any other reason outside of our control.
18. Unless we otherwise state or specify all confirmations of transactions with International Financial Products will be for your Account in the currency of the country in which you have chosen to deal.

### **Custody**

19. We may enter into custody agreements with an international service provider to enable the provision of custodial services for your International Financial Products. If we enter into custody arrangements with an international service provider, your International Financial Products will be held by an International Custodian on your behalf. You will retain beneficial ownership (but not legal ownership) of your International Financial Products.
20. If we enter into custody arrangements with an International Custodian, we will provide you with written notice of and the contact information of the International Custodian as soon as reasonably practicable.
21. Refer to the Financial Services Guide (FSG) for any stipulation on Custody fees.

## Payments

22. You bear the foreign exchange risks of trading in International Financial Products including, but not limited to, the risks of cash held, of distributions, dividends, coupons or other income payments received, of expenses or other liabilities incurred and of foreign exchange controls or other laws that may prohibit or impose costs on transfers of International Financial Products or cash or accounts held in countries outside of Australia or denominated in currencies other than Australian dollars.
23. Any payment to which you are entitled in relation to any International Financial Products held on your behalf may be credited to your Account less withholding tax and any other applicable levies, taxes and charges.
24. Any foreign exchange dealing arranged by us may be conducted by a financial institution at its current rates of dealing for such transactions. You agree that we will not be liable for any loss suffered by you as a result of the conversion of an amount to or from Australian dollars or as a result of the timing of the conversion (including if there is any delay).
25. For transactions in currencies to which restrictions apply, currency must first be transferred from USD and will incur an additional spread.
26. You must pay us by way of deduction from a cash account held on your behalf commission, fees and charges in connection with the services provided under these International Trading Terms at the rates and currency notified by us either in writing, by email, or posted on our website from time to time together with: (a) any fees, taxes or other charges levied by a government or international service provider or other person (such as a payment service provider) or in connection with provision of the services; and (a) interest on any unpaid amounts at the rate determined by us from time to time (in accordance with the Agreement) until the date of payment.
27. You agree that if you fail to pay any amount due and payable under these International Trading Terms, we or the international service provider may apply any cash held by us, the international service providers or you and may sell or dispose of any International Financial Products under our control or the control of the international service providers or any other securities of yours under our control and apply the proceeds in satisfaction of the monies owing by you and in payment of any reasonable additional charges incurred by us. You will be liable to us for any shortfall or entitled to any surplus proceeds and you agree to bear the foreign exchange risk associated with any such application of cash.

## Operations

28. We will not be liable for any errors in communication, provision of data and the operation of a trading floor or exchange or any depository, settling or clearing house and that if that information communicated to us from other parties is inaccurate, misleading or false, we will not be held liable for any loss or liability arising from that.
29. We and the international service providers may use price quoting services from time to time in connection with the provision of the services referred to in these International Trading Terms. We will not be liable to you for any loss resulting to you caused by any inaccuracy in the information or advice supplied by price quoting services. We may limit your access to price quoting services or may charge you fees based on your usage of these services.
30. We may without notice remove or limit your access to the facilities arranged under these International Trading Terms if your use of them breaches these International Trading Terms or the terms provided by the international service provider or otherwise is considered by us in our discretion to be unreasonable.
31. You agree that:
- If you or a signatory appears to be a Proscribed Person, then we may immediately refuse to process or complete any transaction or dealing of yours; suspend the provision of a product or service to you; refuse to allow or to facilitate any of your assets held by us to be used or dealt with; refuse to make any asset available to you to any other proscribed person or entity; or terminate these arrangements with you. We will be under no liability to you if we do any or all of these things. Our rights under this clause are in addition to all other rights we have.
  - If we exercise our rights under clause 31 a, you must pay us any damages, losses, costs or expenses that we incur in relation to any action taken by us, including without limitation, administrative costs and costs of sale or purchase of any transaction for the purposes of meeting our obligations under these International Trading Terms or our obligations to the international service provider in respect of your conduct or omission.
  - If you appear to be a Proscribed Person, we will not be responsible for any loss, liability or costs incurred by you if we are unable to receive or act on your instructions.
32. You must complete any further documentation when required by us to satisfy any statutory or regulatory requirements associated with these International Trading Terms or as required by the international service providers, including provision of taxation declarations and residency declarations. You must as soon as practicable advise us of any material change in your circumstances that would invalidate any such taxation and residency declarations already provided. You agree to indemnify us and the international service providers against liability arising from your failure to satisfy any statutory or regulatory requirements.
33. Subject to our other rights under these International Trading Terms, upon termination of the Agreement or of any arrangement with an international service provider for your Account:

- a. we and the international service providers may enter into transactions to settle or otherwise extinguish or off-set obligations incurred by us or them in relation to the International Portfolio prior to termination;
- b. we will take all reasonable steps to vest control of the International Portfolio in you (or as you otherwise direct in writing), subject to payment by you of all charges and expenses and those of the international service providers incurred as a result of termination of the agreement; and
- c. you must within a reasonable time give us instructions regarding the transfer of your International Portfolio. If you do not provide us with instructions within a reasonable time, we will sell your International Portfolio on your behalf and credit the proceeds to your nominated account.

#### Out of hours or extended hours trading risk disclosure (only applicable to select NetX360 clients)

34. As per FINRA Rule 2265, the following risks have been disclosed for trading outside of regular trading hours, in extended hours trading, usually outside of the range, 9:30am – 4:00pm Eastern Time Zone (ET):

- **Risk of Lower Liquidity.** Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended hours trading as compared to regular trading hours. As a result, your order may only be partially executed, or not at all.
- **Risk of Higher Volatility.** Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular trading hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price when engaging in extended hours trading than you would during regular trading hours.
- **Risk of Changing Prices.** The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular trading hours, or upon the opening the next morning. As a result, you may receive an inferior price when engaging in extended hours trading than you would during regular trading hours.
- **Risk of Unlinked Markets.** Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours trading system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive an inferior price in one extended hours trading system than you would in another extended hours trading system.



- **Risk of News Announcements.** Normally, issuers make news announcements that may affect the price of their securities after regular trading hours. Similarly, important financial information is frequently announced outside of regular trading hours. In extended hours trading, these announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.
- **Risk of Wider Spreads.** The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.