

Leveraged Equities Facility Terms and Conditions

Section 3 - Security terms

Section 3 sets out the specific terms that apply to the security interest the Borrower grants to us. If we require the Guarantor to provide us with security for its obligations under the guarantee they have given us, Section 3 also applies to the security interest the Guarantor grants to us. In this Section 3, a reference to “Security Owner” means the Borrower and (if applicable) the Guarantor that grants us a Security Interest.

26. Security

Grant of security interest

26.1 The Security Owner grants a security interest in the Secured Portfolio to us to secure payment of:

- a) the Total Amount Owed (if the Security Owner is the Borrower); or
- b) the Guaranteed Money (if the Security Owner is the Guarantor).

Unless we have agreed otherwise, the security interest is a mortgage.

The Security Owner does this as beneficial owner unless they have entered into the agreement as trustee of a trust. In that case, the Security Owner grants a security interest in:

- c) the Secured Portfolio comprising the trust assets, as sole trustee of the trust; and
- d) any other Secured Portfolio, as beneficial owner.

Consideration

26.2 The Security Owner acknowledges giving the Security Interest for valuable consideration received from us.

Where the law allows for creation of interests without consent

26.3 If a law allows the Security Owner to create another Security Interest in the Secured Portfolio without our consent, they do not have to obtain our consent before they do so. However:

- a) if the Security Owner intends to create another Security Interest, they must tell us at least 7 days before they do so; and
- b) if we ask for an agreement under clause 26.4 and the Security Owner has not complied with that request by the time the Security Interest is created, we need not make funds available to them under the facility.

Priority agreement

26.4 If we ask, the Security Owner must enter into an agreement acceptable to us to regulate the priority between the Security Interest they give us under this Section 3 and any other Security Interest in the Secured Portfolio.

Ensure no Default

26.5 The Security Owner must ensure that no Default occurs.

Additional powers on Default

26.6 If a Default occurs, we may do anything that an owner or receiver of the Secured Portfolio could do including:

- a) sell or otherwise deal with the Secured Portfolio (including any Deposit Account);
- b) give instructions to an intermediary (as defined in the PPSA) or any other person in connection with the Secured Portfolio, including instructions by which the Secured Portfolio can be transferred or otherwise dealt with;
- c) exercise any rights (including voting rights) that the law gives to a holder or secured party or owner of the Secured Portfolio with the same characteristics;
- d) receive dividends, interest or other income payable by the issuer of any of the Secured Portfolio;

- e) register any of the Secured Portfolio in our name (or our Nominee's name) and deal with the Secured Portfolio in the same way as the Security Owner could do if the Secured Portfolio was not subject a Security Interest;
- f) take possession of the Secured Portfolio by doing anything that the law regards as equivalent to actually taking possession; and
- g) give any releases or discharges to a third party in respect of a sale by us of all or part of the Secured Portfolio to discharge the Total Amount Owning.

However, we will only take action under this clause 26.6 in a manner that is consistent with clause 47.2.

27. Paying the Total Amount Owning

The Security Owner must pay the Total Amount Owning or the Guaranteed Money (as applicable) in accordance with the terms of the agreement.

28. Looking after the Secured Portfolio

Things the Security Owner agrees to do

28.1 The Security Owner must:

- a) comply with all laws and requirements of authorities and their other obligations in connection with the Secured Portfolio;
- b) pay on time all amounts they are liable for as owner of the Secured Portfolio (including calls and instalments);
- c) unless we agree otherwise, give or arrange to give us or the Nominee, immediately after becoming aware of the New Rights, details of all New Rights and all documentary or other evidence of New Rights;
- d) if we ask, take up New Rights (we will only ask the Security Owner to do this if we consider failure to do so would Increase Our Credit Risk);
- e) if we ask, ensure that the person we have nominated to be a signatory to any account which forms part of the Secured Portfolio becomes and remains a signatory to that account;
- f) give the Sponsor instructions regarding the Secured Portfolio that we tell them to, and authorise us to make arrangements with the Sponsor to give them instructions directly which are binding on the Security Owner (without the Sponsor being liable to the Security Owner for release of Secured Portfolio).

Things the Security Owner agrees not to do

28.2 The Security Owner must not (unless we agree otherwise):

- a) create or allow another interest to exist in any Secured Portfolio;
- b) dispose, or part with possession, of any Secured Portfolio;
- c) give control of the Secured Portfolio to any person other than us (or a person acting on our behalf);
- d) give any instructions to the Sponsor unless we have agreed that the Security Owner may give those instructions;
- e) take any steps to convert a certificated Security into an uncertificated Security (or vice versa) or redeem any Security; or
- f) close, vary the terms of or change the signatories to a Deposit Account which forms part of the Secured Portfolio.

29. Deposit of documents relating to Secured Portfolio and warrants or options in Secured Portfolio

29.1 The Security Owner agrees to deposit with us any documents we request relating to the Secured Portfolio (such as documents of title) unless we have agreed to another person holding them under a higher ranking Security Interest in the Secured Portfolio.

29.2 If a warrant or option over Securities is part of the Secured Portfolio, it is the Security Owner's responsibility to monitor and manage the warrant or option. The Security Owner may choose to

exercise any right that it has under the warrant or option before it expires. We have no responsibility to the Security Owner in respect of any warrants or options in the Secured Portfolio.

30. Release of Secured Portfolio

The Security Owner can require us to release the Secured Portfolio from the Security Interest the Security Owner gives us under this Section 3 (*Security terms*) when there is no Total Amount Owing.

Even if the Total Amount Owing is repaid, the Secured Portfolio remains secured to us until we actually release it.

31. Further steps

The Security Owner agrees to do anything (such as obtaining consents, signing and producing documents, producing receipts and getting documents completed and signed) that we ask and reasonably consider necessary to:

- a) bind them and any other person intended to be bound by the agreement;
- b) show whether they are complying with the agreement;
- c) ensure that any Security Interest granted in our favour is enforceable, perfected (including, where possible, by control in addition to registration) and otherwise effective;
- d) ensure that any Security Interest granted in our favour has the priority we require to protect our security rights;
- e) enable us to obtain the consent of any other person (such as another secured party) in connection with the Secured Portfolio;
- f) enable us to register the power of attorney in clause 66 (*Power of attorney*) or a similar power to enable us to exercise our rights, powers and remedies in connection with the Secured Portfolio.

If the Security Owner is signing as a trustee of a trust or settlement, they have to maintain their right to receive trust assets to reimburse or otherwise compensate them in full for their liabilities under the agreement. They also have to exercise that right when we ask.

32. Master Trust/Wraps and Managed Funds

32.1 If any of the Secured Portfolio is or is to be held, managed or sponsored through a Master Trust/Wrap, a Managed Fund or a Third Party Sponsor, the Security Owner acknowledges and agrees that:

- a) it has read and understood all material aspects of the arrangements and documentation it has entered or will enter into with the Master Trust/Wrap, Managed Fund or Third Party Sponsor including but not limited to any share service investor guide, IDPS investor guide, IDPS offer document, application form, product disclosure statement and all other related material, and the effect thereof;
- b) if it wishes to purchase, hold or borrow against listed shares held through the Master Trust/Wrap share service, the Sponsoring Participant in CHESS will be a person specified by the Master Trust/ Wrap or Managed Fund;
- c) its rights under the arrangements it has entered into with the Master Trust/Wrap, Managed Fund or Third Party Sponsor in relation to the Secured Portfolio and any documentation issued by a Master Trust/Wrap, Managed Fund or Third Party Sponsor are subject in all respects to our rights under the agreement;
- d) it authorises us to give instructions to the Master Trust/Wrap, Managed Fund, or Third Party Sponsor in relation to the Secured Portfolio to the same extent that the Security Owner is entitled to do so, and the terms of the power of attorney in the agreement (or a similar power) apply fully to any instructions we may give the Master Trust/ Wrap, Managed Fund or Third Party Sponsor; and
- e) in order to comply with instructions given by us, the Master Trust/Wrap, Managed Fund or Third Party Sponsor may be required to act as agent for us in a manner contrary to the interests of the Security Owner and, as a result of the authorisations given under the clause 32.1, may be relieved of any fiduciary duties it may owe the Security Owner.

- 32.2 If any of the Secured Portfolio is held or managed through a Master Trust/Wrap, Managed Fund or Third Party Sponsor, the Security Owner irrevocably authorises and directs the Master Trust/Wrap, Managed Fund or Third Party Sponsor to:
- a) note our interest as mortgagee of any units held on the unit holder register in the name of the Security Owner or the Nominee and any Securities or other assets in which the Security Owner has an interest under the Master Trust/Wrap or Managed Fund or under a sponsorship agreement with the Third Party Sponsor;
 - b) act upon any request or instructions from us (including applications, redemptions and transfers of units, or funds movements, or sales of shares or units, or the transfer of sponsorship of any shares from the Master Trust/Wrap, Managed Fund or Third Party Sponsor to us or any person nominated by us) for any reason, or the reversal or variation of any instructions that the Master Trust/ Wrap, Managed Fund or Third Party Sponsor may receive from the Security Owner, where requests are signed with our powers as mortgagee or pursuant to the power of attorney in the agreement, until such time as the Master Trust/Wrap, Managed Fund or Third Party Sponsor receives a release from us with respect to the Security Owner.

Definitions and Interpretations

Capitalised terms in these Security Terms that do not appear below are defined in the **Facility Terms and Conditions** dated 9 November 2023 or later.

Term	Meaning
Deposit Account	An account or other cash-based financial product forming part of the Secured Portfolio that we agree with the Borrower or Guarantor (as the provider of the account) is a "deposit account" for the purposes of the agreement, including the Linked Investment Account.
Guaranteed Money	<p>All money which the Borrower (whether alone or not) is or at any time may become actually or contingently liable to pay to us or for our account (whether alone or not) for any reason whatever under or in connection with the agreement, whether or not currently contemplated.</p> <p>It includes money by way of principal, interest, fees, costs, indemnity, charges, duties or expenses or payment of liquidated or unliquidated damages under or in connection with the agreement, or as a result of a breach of or Default under or in connection with the agreement.</p> <p>It also includes money that the Borrower would have been liable to pay but for its Insolvency or a set off claimed by it, or some other reason.</p>
New Rights	<p>At any time:</p> <ol style="list-style-type: none"> a) the Security Owner's right, title and interest in all money, dividends, interest, allotments, offer, benefits, privileges, rights, bonuses, shares, stock, stock units, interest in a unit trust or managed investment scheme, debentures, distributions or rights to take up Securities; b) the Security Owner's rights as a result of any conversion, redemption, cancellation, reclassification, forfeiture, consolidation or subdivision; or c) the Security Owner's rights as a result of a reduction of capital, liquidation or scheme of arrangement, <p>in connection with any Security.</p>

Secured Portfolio	<p>Each part or all of the following, as required by the context:</p> <ul style="list-style-type: none"> a) all Securities that are held with the Sponsor under the Sponsorship Agreement; b) all Securities and property (real or personal) that are held by the Nominee on behalf of the Security Owner; c) all Securities and property (real or personal) that are held by another entity or Third Party Sponsor on terms acceptable to us, in connection with the agreement; d) all Securities and property (real or personal) that are purchased or refinanced by the Security Owner or by the Nominee on behalf of the Security Owner with the proceeds of a loan or from a Deposit Account (unless we otherwise agree); e) all Securities and property (real or personal) that we agree in writing is part of the Secured Portfolio from time to time and on such terms as we stipulate; f) all rights of the Security Owner in relation to a Deposit Account including all rights to repayment or redemption of money, rights to interest and rights to distribution of income and property, whether or not the interest or distribution is actually credited to the Deposit Account; g) all rights to claim under the National Guarantee Fund; h) all New Rights; and i) if any of the above is held or managed through a Master Trust/Wrap, all of the Security Owner's interest in such Master Trust/Wrap unless otherwise agreed by us.
Security	<p>Includes:</p> <ul style="list-style-type: none"> a) shares, stock units or units in the capital of a corporation; b) debentures, debenture stock, bonds, notes, convertible notes, units, warrants or other securities created, issued or granted by any corporation, government, unincorporated body or other entity; c) a unit or other interest in a trust or partnership; d) any interest in a Master Trust/Wrap or Managed Fund and other rights the subject of a disclosure document; e) a product disclosure statement, IDPS guide, product guide, f) a negotiable instrument; g) any other financial product determined by us to be a security for h) any right or option in respect of any of the above (whether issued or unissued).
Security Owner	<p>The Borrower or the Guarantor who has, or will, provide a Security Interest to us over the Secured Portfolio to secure the Total Amount Owing.</p>
Total Amount Owing	<p>The total of all amounts that are required to be paid by the Borrower or that they owe us or that may become owing by them to us in the future in connection with the agreement.</p>

Issued by the Lender

Leveraged Equities Limited (ABN 26 051 629 282, AFSL 360118)

Dated 16 February 2024