

ATTACHMENT A - AMENDMENTS TO AUSTRACLEAR REGULATIONS

PART 1 – Improved process for changes to the terms of Deposited Non-Paper Securities

1. Insert the following definitions into Regulation 1.1, with each definition to appear within the existing list of definitions in alphabetical order:

"Deposit" means, in relation to a Security at any time, the valid lodgement of that Security by a Participant in the System.

"Depositing Participant" means, in relation to a Security at any time, the Participant that is seeking to Deposit or has Deposited the Security in the System.

"Issuer's Representative" means, in respect of an issuer, the person that is recorded in the System as being the representative of that issuer.

2. Amend Regulation 8.2 as follows:

8.2 Warranties by Participant

8.2.1 Each Participant who Deposits a Non-Paper Security or a Euroentitlement in the System warrants and represents that:

- (a) the Participant has, or has the right to pass, good and unencumbered title to that Security;
- (b) ~~the Participant~~ is liable for any apparent or concealed defects concerning that Security no matter when those defects are discovered; ~~and~~
- (c) the terms of that Non-Paper Security or Euroentitlement (and, in respect of the Deposit of a Euroentitlement, the terms of the related Eurosecurity of that Euroentitlement) are correctly reflected in the System at the time of Deposit; and

(d) in relation to the Deposit of a Euroentitlement;

(i) the related Eurosecurity is, or, immediately prior to the Deposit of the Euroentitlement, will be, held to its account without encumbrance and not subject to any block or prohibition on dealing by a participant in a Clearance and Settlement System; and;

(ii) in consideration of Austraclear's acceptance of the Euroentitlement for Deposit, the Participant has irrevocably directed the operator of that system (or, if the Participant is not the participant referred to earlier in this paragraph (c), has irrevocably directed that participant) in accordance with the rules of that system (and, if applicable, the Participant's arrangements with that participant) to transfer the Eurosecurity to the securities account of Austraclear with that operator.

8.2.2 The Depositing Participant must release and discharge Austraclear and all other Participants from, and indemnify and keep indemnified Austraclear and all other Participants against, any Loss or Claim of Austraclear or any other Participant where there is a breach of ~~either the warranties~~ in Regulation 8.2.1.

3. Amend Regulation 8.4 as follows:

8.4 Owner's Rights and Obligations

Austraclear holds a Deposited Non-Paper Security or a Deposited Euroentitlement as nominee for the Owner and must deal with that Security in accordance with directions or instructions from time to time Entered by the Owner.

The conditions of issue terms of a Non-Paper Security may vary from issuer to issuer and it is the responsibility of an Owner to apprise itself of those conditionsterms.

4. Amend Regulation 8.5 as follows:

8.5 Owner's Title

8.5.1 The transferor who Enters particulars of any dealing affecting a Deposited Non-Paper Security or a Deposited Euroentitlement warrants to its immediate transferee for value that:

- (a) such Security is what it purports to be;
- (b) it has a right to transfer such Security; and
- (c) at the time of the transfer of such Security the transferor is not aware of any fact which renders such Security valueless.

8.5.2 The transferor must release and discharge Austraclear and its immediate transferee for value from, and indemnify, and keep indemnified Austraclear and that transferee against, any Loss or Claim of Austraclear or that transferee where there is a breach of any of these warranties in Regulation 8.5.1.

5. Insert new Regulations 8.6 - 8.10 as follows:

8.6 Issuer to notify Austraclear

8.6.1 The issuer of a Deposited Non-Paper Security must notify Austraclear (or procure that the Issuer's Representative notifies Austraclear) of any:

- (a) proposed changes to the terms of the Deposited Non-Paper Security which if made would result in a requirement for one or more amendments to be made to the information reflected in the System in respect of that Deposited Non-Paper Security;
- (b) changes that have been made to the terms of the Deposited Non-Paper Security resulting in a requirement for one or more amendments to be made to the information reflected in the System in respect of that Deposited Non-Paper Security; and
- (c) changes to the identity of the Issuer's Representative appointed in respect of the issuer of the Deposited Non-Paper Security;

in accordance with the prescribed procedures.

[Link to Procedures: Rule 8 6 1 Notification of change in respect of Deposited Non-Paper Security](#)

8.6.2 The issuer of a Deposited Non-Paper Security must notify Austraclear (or procure that the Issuer's Representative notifies Austraclear) of any erroneous information reflected in the System with respect to the Deposited Non-Paper Security, and of the correct information to replace any such erroneous information, in accordance with the prescribed procedures.

Link to Procedures: Rule 8 6 2 Notification to correct erroneous information in respect of Deposited Non-Paper Security

8.7 Voting Arrangements

If the issuer of a Deposited Non-Paper Security proposes to make any amendments to the terms of that Deposited Non-Paper Security that require the approval of legal and registered holders of the Deposited Non-Paper Security, the issuer must follow all applicable consent and voting procedures set out in the relevant constituting documents of that Deposited Non-Paper Security.

8.8 Power of attorney

Where Austraclear, as legal and registered holder of a Deposited Non-Paper Security, is required to vote on resolutions in accordance with the consent and voting procedures referred to in Regulation 8.7, Austraclear hereby appoints the issuer of that Deposited Non-Paper Security to be Austraclear's attorney and in the name of Austraclear and on Austraclear's behalf:

- (a) subject to the consent and voting procedures referred to in Regulation 8.7, to execute any resolution or proxy form in accordance with the voting instructions sought and received by the issuer from the Owners; and
- (b) subject to the consent and voting procedures referred to in Regulation 8.7, and subject to the terms and conditions of the constituent documents of the relevant Deposited Non-Paper Security, to do all things necessary or desirable to give full effect to the voting instructions sought and received by the issuer from the Owners,

and Austraclear undertakes to ratify and confirm anything done by the issuer of the Deposited Non-Paper Security in accordance with this power of attorney.

8.9 Issuer may appoint delegate

The issuer of a Deposited Non-Paper Security may in writing:

- (a) appoint the relevant Issuer's Representative as a delegate for any period to perform any act that the issuer is able to perform under Regulation 8.8;
- (b) at its discretion, revoke any such appointment; and
- (c) exercise or concur in exercising any power granted to the issuer under Regulation 8.8 despite the issuer or a delegate of the issuer having a direct or personal interest in the mode or result of the exercise of that power.

8.10 Issuer to indemnify Austraclear

The issuer of a Deposited Non-Paper Security must indemnify Austraclear, and keep Austraclear indemnified against any Loss or Claim that Austraclear may sustain or incur in connection with:

- (a) any act done, or required to be done, by the issuer on the issuer's own behalf pursuant to Regulations 8.6 to 8.9;
 - (b) any act done by or purported to be done by:
 - (i) the issuer on behalf of Austraclear pursuant to Regulation 8.8; or
 - (ii) a delegate of the issuer on behalf of Austraclear pursuant to Regulation 8.9,
- where such act was not within the scope of the power of attorney granted in Regulation 8.8.

6. Amend Regulations 20.1(k), (m), (n), (p), (r) as follows:

20.1 No Liability of Austraclear

Without affecting any other provision of these Regulations, in relation to the System Austraclear is not liable for any Loss or Claim of any person (including without limitation any Participant, Participating Bank or Foreign Currency Settlement Bank) arising out of:

...

- (k) the breach or incorrectness of any warranty given by any issuer, Participant, Participating Bank or Foreign Currency Settlement Bank;

...

- (m) the failure by an issuer, Participant, Participating Bank or Foreign Currency Settlement Bank to comply with any requirements or discharge any obligations under these Regulations;

- (n) any representation or warranty made or given by an issuer, ~~a~~ Participant, Participating Bank, or Foreign Currency Settlement Bank which is incorrect, incomplete, or misleading;

...

- (p) the terms of any instructions given by an issuer, Participant, Participating Bank or Foreign Currency Settlement Bank to Austraclear or entered by a Participant, Participating Bank or Foreign Currency Settlement Bank into the System;

...

- (r) Austraclear acting on any instructions received or purportedly received from an issuer, Participant, Participating Bank or Foreign Currency Settlement Bank;

...

PART 2 – Removal of the EC Rules

1. Remove the explanatory note immediately preceding Section 1 (titled “Explanatory Note - Structure of Austraclear Regulations”) in its entirety.
2. Amend the definition of “Procedures, Determinations and Practice Notes” appearing in Regulation 1.1 as follows:

"Procedures, Determinations and Practice Notes" means the document set out at www.asx.com.au relating to the Austraclear System ~~and the EC Settlement Facility~~ containing:

- (a) procedures to facilitate the use of the System;
- (b) decisions made by Austraclear pursuant to these Regulations; and
- (c) practice notes issued by Austraclear as to how the Regulations are interpreted and enforced.

3. Remove each of Regulations 1.1A, 1.2A, 2.1A, 3.2A, 20A, 22A, and 27 in their entirety.

PART 3 – Payment of interest from Owner of Non-Paper Security

1. Amend Regulation 11.03.03 as follows:

11.0.03 Payment of interest and other amounts for Non-Paper Securities, processed through the System

- (a) Payment of interest, principal and any other amounts due under Non-Paper Securities will be the responsibility of the respective issuer or its Paying Agent and will be effected through the System in accordance with Regulation 14.1.
- (b) It will be the responsibility of Owners to apprise themselves of the specific payment arrangements for the Securities.

(c) Any payment of interest due from the Owner of a Non-Paper Security to an issuer or its Paying Agent will be effected through the System in accordance with the Procedures.

Explanatory Note: For the purposes of Regulation 11.0.03(c), in the event that interest rates are negative any payment of interest due from the Owner will be 'an entitlement' for the purpose of the definition of Owner in Regulation 1.1, and the Owner will therefore be the Pledgor.

2. Amend Regulation 11.1 as follows:

11.1 Interest on Non-Paper Securities

(a) Austraclear must facilitate payment in the prescribed manner of interest on each Deposited Non-Paper Security where the issuer of such Security pays interest in respect of it.

(b) Any payment of interest due from the Owner of a Deposited Non-Paper Security to an issuer or its Paying Agent will be effected through the System in accordance with the Procedures.

Explanatory Note: For the purposes of Regulation 11.1(b), in the event that interest rates are negative any payment of interest due from the Owner will be 'an entitlement' for the purpose of the definition of Owner in Regulation 1.1, and the Owner will therefore be the Pledgor.