

to have. This acknowledgement is made on the basis that any liability to the clearing house will not pass to me unless I become a member of the clearing house and contracts are registered in my name with the clearing house.

4. I am aware that in respect of futures and option contracts traded by you on my behalf you will have assumed a liability as a principal under the Articles and By-Laws of the Exchange and the business rules of the relevant clearing house and I acknowledge further that:
  - (a) You may call upon me for payment, or the lodgement of cover, of such amounts by way of initial margins or variation margins as you in your discretion feel to be necessary to protect your position generally as a principal.
  - (b) Should I fail to pay any call made upon me by payment or lodgement of cover, then you shall be entitled (at your absolute discretion and without thereby creating an obligation to do so) to close out open positions held by me. In this regard I agree that time is to be of the essence and that if no time is stipulated by you when making a call then I am required to comply within twenty-four (24) hours. I acknowledge that I am responsible to pay in cash any deficit owing to you after closure and should I not so pay, you may realise any securities held by you and apply the proceeds against that deficiency.
  - (c) You may charge against my account (notwithstanding any cover held by you) interest on the amount of the liability from the date such liability is incurred until the date it is discharged.
5. You will also be entitled to charge against my account commission at such rate or rates as may from time to time be agreed upon between us.
6. I am aware that all business transacted on my behalf is subject to the provisions of the Memorandum and Articles of Association and By-Laws of New Zealand Futures and Options Exchange Limited (hereinafter called 'the Exchange') and the business rules of any other exchange on which any such business may be transacted and I have instructed you on the basis that such Memorandum and Articles of Association, By-Laws and rules are binding upon and accepted by both you and me.
7. I am aware that:-
  - (a) you \*do/do not trade for yourself as a principal on your own account;
  - (b) your directors, partners or employees \*do/do not trade on their own account.

And I hereby make and give the following further directions and authorisations:-

8. Unless otherwise specifically directed in writing by me, you are authorised to place with any clearing house or other person approved by the Board of the Exchange all moneys held to the credit of my account which are in excess of my liabilities for margins. You shall be entitled to retain to your account any interest earned thereon, unless otherwise agreed between us in writing, and I hereby waive any claim to the interest so retained to your account.
9. I hereby appoint the chairman of the Board of the