

(hereinafter called "the Client") hereby acknowledges that:

1. The Client has given consideration to the Client's objectives and financial situation and needs and has formed the opinion that it would be desirable or appropriate for the Client to trade in futures contracts or option contracts. The Client also acknowledges that trading in futures and/or option contracts incurs the risk of loss as well as the prospect of profit and that the Client has read and understands the Statement of Risk attached hereto. The Client is also aware that upon entering into certain classes of futures or option contract there is created an obligation or contingent obligation upon the Client to give or take delivery or to comply with any cash settlement requirement pursuant thereto, as the case may be.
  2. \* (a) You will be trading on futures and/or option (Trading) markets at all times as a principal, notwithstanding that in certain trading you will be implementing instructions given to you by the Client as your principal. The Client is aware that in the same trading you may, either on your own account or on behalf of other clients, be taking the opposite position to the Client in a futures or option contract and acknowledges your right to do so, provided the trading occurs in accordance with the business rules of the relevant exchange.
  - OR \* (b) You will be making or instructing another broker (Affiliate) (a "principal broker") to make offers or bids on my behalf on futures and/or option exchanges and you and/or the principal broker will be making such bids or offers as principal. The Client is aware that in the same trading you may make and/or instruct a principal broker to make offers or bids on your own account, or on behalf of other clients, in either case taking the opposite position to the Client in a futures or option contract and acknowledges the right of you and/or the principal broker to do so, provided the trading occurs in accordance with the business rules of the relevant exchange.
- [\* delete as applicable. Sub-clause (a) applies where the Clearing Member Client instructs a Trading Member direct, and sub-clause (b) applies where the Clearing Member Client instructs an Affiliate Member.]
3. You will also be entitled to charge against the Client's account commission at such rate or rates as may from time to time be agreed upon between you and the Client, as well as any other fee authorised by the business rules of the relevant exchange.
  4. The Client is aware that all business transacted on behalf of the Client by you or any principal broker is subject to the provisions of the Articles of Association and By-Laws of New Zealand Futures Exchange Limited and the business rules of any other exchange on which any such business may be transacted and the Client has instructed you on the basis that such Articles of Association, By-Laws and business rules are binding upon and accepted by you, the Client and any principal broker instructed by you.