

# Australian Financial Services Licence

ARAB BANK AUSTRALIA LIMITED

ABN: 37 002 950 745

Licence No: 234563

is hereby licensed as an Australian Financial Services Licensee pursuant to section 913B of the Corporations Act 2001 subject to the conditions and restrictions which are prescribed, and to the conditions contained in this licence and attached schedules.

Effective 18 December 2003

## Authorisation

1. This licence authorises the licensee to carry on a financial services business to:
    - (a) provide financial product advice for the following classes of financial products:
      - (i) deposit and payment products including:
        - (A) basic deposit products;
        - (B) deposit products other than basic deposit products; and
        - (C) non-cash payment products;
      - (ii) derivatives; and
      - (iii) foreign exchange contracts; and
    - (b) deal in a financial product by:
      - (i) issuing, applying for, acquiring, varying or disposing of a financial product in respect of the following classes of financial products:
        - (A) deposit and payment products including:
          - (1) basic deposit products;
          - (2) deposit products other than basic deposit products; and
          - (3) non-cash payment products;
        - (B) derivatives; and
        - (C) foreign exchange contracts;
- to retail and wholesale clients.

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## Schedule of Conditions

### Compliance Measures to ensure Compliance with Law and Licence

2. The licensee must establish and maintain compliance measures that ensure, as far as is reasonably practicable, that the licensee complies with the provisions of the financial services laws.

### Training Requirements for Representatives

3. The licensee must, in accordance with the compliance dates set out in Table 2 of ASIC Policy Statement 146 (as at the date of this licence), for any natural person who provides financial product advice to retail clients on behalf of the licensee (including the licensee if he or she is a natural person):
  - (a) identify the tasks and functions that person performs on behalf of the licensee; and
  - (b) determine the appropriate knowledge and skills requirements required to competently perform those tasks and functions; and
  - (c) implement procedures for continuing training.
4. The licensee must, in accordance with the compliance dates set out in Table 2 of ASIC Policy Statement 146 (as at the date of this licence), ensure that any natural person who provides financial product advice to retail clients on behalf of the licensee (including the licensee if he or she is a natural person):
  - (a) has completed training courses at an appropriate level that are or have been listed on the ASIC Training Register that are relevant to those functions and tasks; or
  - (b) has been individually assessed as competent by an assessor that is or has been listed on the ASIC Training Register; or
  - (c) in respect of financial product advice on basic deposit products and facilities for making non-cash payment products that is related to a basic deposit product, has completed training courses at an appropriate level that are relevant to those functions and tasks.

### Notification to Current or Former Representative's Clients

5. Where, under Division 8 of Part 7.6 of the Act:
  - (a) ASIC makes a banning order against a current or former representative of the licensee; or
  - (b) the Court makes an order disqualifying a current or former representative of the licensee;the licensee must, if directed in writing by ASIC, take all reasonable steps to provide the following information in writing to each retail client to whom the representative had provided personal advice within the 3 years prior to the date of the banning order or disqualification order:
  - (c) the name of the representative;
  - (d) any authorised representative number allocated to the representative by ASIC;
  - (e) the terms of the banning or disqualification order; and
  - (f) contact details of the licensee for dealing with enquiries and complaints regarding the banning or disqualification or the conduct of the representative as a representative of the licensee.

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### Financial Requirements for a Body Regulated by APRA

6. The licensee must be a body regulated by the Australian Prudential Regulatory Authority ("APRA").
7. Where a licensee can no longer meet, or has breached, condition 6 of this licence the licensee must give a written report to ASIC pursuant to subsection 912D(1) of the Act which includes:
  - (a) the date on which the licensee ceased to be a body regulated by APRA; and
  - (b) the reasons why the licensee is no longer a body regulated by APRA.

### Audit Opinion on Financial Requirements

8. The licensee must lodge with ASIC an opinion by a registered company auditor ("the audit opinion") addressed to the licensee and ASIC:
  - (a) for each financial year, at the same time the licensee is required to lodge a balance sheet (ie: Statement of Financial Position) and profit and loss statements (ie: Statement of Financial Performance) under Part 7.8 of the Act; and
  - (b) for any period of time that ASIC requests, by the date ASIC requests the audit opinion to be lodged; that states whether for the relevant period on a positive assurance basis the licensee was a body regulated by APRA at the end of the financial year or for any period of time that ASIC requests.

### External Disputes Resolution Requirements

9. Where the licensee provides financial services to retail clients, the licensee must be a member of one or more External Disputes Resolution Scheme(s) ("EDRS") which covers, or together cover, complaints made by retail clients in relation to the provision of all of the financial services authorised by this licence.
10. Where the licensee ceases to be a member of any EDRS, the licensee must notify ASIC in writing within 3 business days:
  - (a) the date the licensee ceases membership of the EDRS(s);
  - (b) the reasons the licensee's membership of the EDRS(s) has ceased (including circumstances where the EDRS is no longer operating, failure by the licensee to renew their membership of the EDRS or where the EDRS has terminated the licensee's membership of the EDRS);
  - (c) details of the new EDRS(s) the licensee intends to or has joined (including the date the membership commences and the name of the EDRS); and
  - (d) details that provide confirmation that the licensee is covered by EDRS(s) covering complaints made by retail clients in relation to the provision of all of the financial services authorised by this licence.

### Prohibition to Operate Discretionary Portfolio Accounts

11. The licensee must not operate discretionary portfolio accounts for a retail client.

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## Terms and Definitions

In this licence references to sections, Parts and Divisions are references to provisions of the Act unless otherwise specified. Headings contained in this licence are for ease of reference only and do not effect interpretation. Terms used in this licence have the same meaning as is given to them in the Act and the following terms have the following meanings:

**discretionary portfolio account** means a facility, other than a registered scheme, for acquiring securities, old law securities options contracts, government stocks, debentures or bonds, or interests in managed investment schemes in trust for or on behalf of another person without the prior approval of that other person to acquiring that financial product.

**old law securities options contracts** means "options contracts" as defined under section 9 in the Corporations Act immediately prior to 11 March 2002 which were "securities" as defined under section 92(1) of the Corporations Act immediately prior to 11 March 2002.