

VARIATION OF COURT ENFORCEABLE UNDERTAKING

Australian Securities and Investments Commission Act 2001

Section 93AA

The commitments in this undertaking are offered to the Australian Securities and Investments Commission (ASIC) by:

Foster Stockbroking Pty Limited
ACN 088 747 148
Level 9, 275 George Street
Sydney New South Wales 2000
Australian Financial Services Licensee number 223687

(FSB)

1. DEFINITIONS

- 1.1. Except as expressly amended in this document, defined terms used in this variation of the enforceable undertakings given by FSB to ASIC on 24 November 2017 (Undertakings) have the same meaning as in the Undertakings. A copy of the Undertakings is attached as an Annexure to this document.

2. BACKGROUND

- 2.1. On 24 November 2017, ASIC accepted the Undertakings which had been offered to it by FSB.
- 2.2. On 13 December 2017, FSB made a payment of A\$80,000 to The Ethics Centre in accordance with the requirements and time frame specified in paragraph 3.2 of the Undertakings.
- 2.3. During the period between 27 November 2017 and 11 June 2019, FSB complied with the requirements and timeframes specified in the Undertakings for it to appoint an independent expert and implement the independent expert's recommendations.
- 2.4. The Undertakings provide for the following ongoing undertakings by FSB:
 - 2.4.1. Paragraph 3.4: FSB undertakes that no staff member in a business other than its Research business will write Research. Research is defined, in clause 1 of the Undertakings, to include "Desk Commentaries' and Desk Notes";
 - 2.4.2. Paragraph 3.5: FSB undertakes that all Research will include a prominent, specific and meaningful disclosure of the number of securities of the company that is the subject of Research held (if any) by each of the writer of the Research, FSB and Cranport;
 - 2.4.3. Paragraph 3.7: FSB will, when managing or co-managing the initial public offering or secondary markets raising of securities in a company:

- 3.7.1. ensure that FSB, Cranport and their Associates lodge and record any bids for the securities in writing prior to the formal launch of the issue; and
 - 3.7.2. allocate or recommend the allocation of securities of the company to FSB, Cranport and their Associates only if:
 - (a) FSB provides an itemised disclosure to the company of all proposed allocations and scale backs, which includes the prominent, specific and meaningful disclosure of all the proposed allocations to FSB, Cranport and each of their Associates; and
 - (b) FSB has received express written consent from the company in respect of the specific proposed allocations to FSB, Cranport and each of their Associates, which consent is provided after receipt of the itemised disclosure in paragraph (a).
- 2.5. To date, ASIC has not identified any non-compliance by FSB with its ongoing undertakings, as referred to in paragraph 2.4. above.
- 2.6. FSB has offered this variation of the Undertakings to:
- 2.6.1. amend the definition of Research in paragraph 1 of the Undertakings so that it will not cover desk commentaries and desk notes as issued by FSB, which do not include a recommendation or price target for the securities that are the subject of those commentaries and notes;
 - 2.6.2. amend paragraph 3.5 of the Undertakings to require FSB and its associate, Cranport, to disclose, together, in FSB's Research the percentage (rather than number) held by them of securities of the company that is the subject of the Research; and
 - 2.6.3. amend paragraph 3.7 of the Undertakings to extend the time by which FSB, Cranport and their Associates are required, by paragraph 3.7 of the Undertakings, to lodge and record bids for securities when FSB is managing or co-managing the initial public offering or secondary markets raising of those securities.
- 2.7. ASIC has agreed to the variations of the Undertakings on the basis they do not alter the intent of the Undertakings and compliance with the Undertakings has been subsequently found to be impractical.

3. VARIATION OF UNDERTAKINGS

- 3.1. Under s93AA of the *Australian Securities and Investments Commission Act 2001* (ASIC Act), FSB has offered, and ASIC has agreed to accept, the following variations to the undertakings:
 - 3.1.1. Delete FSB's business address on the first page of the Undertakings (being, Suite 2 Level 25, 52 Martin Place, Sydney New South Wales 2000) and substitute it with the following:

Level 9, 275 George Street, Sydney NSW 2000.

- 3.1.2. Delete the definition of Research in paragraph 1 of the Undertakings and substitute it with the following:

Research means “Research Report”, as defined in RG 79.25 to RG 79.26 of ASIC Regulatory Guide 79 and RG 264.24 to RG 264.27 of ASIC Regulatory Guide 264 and for the avoidance of doubt includes, without limitation, the following published by or on behalf of FSB:

- (a) research reports, “Initiation Reports” and “Talking Points”; and
- (b) “Desk Commentaries” and “Desk Notes” that:
 - i. contain a price target or valuation about named or readily identifiable financial products or classes of financial products; and
 - ii. are not commentary which references the most recent research (as set out in RG 264.27(a), RG 264.27(b) or RG 264.27(c)) that has been broadly distributed by the licensee or another person in relation to the financial product(s) referred to in the desk commentary or desk note.

- 3.1.3. Delete paragraph 3.5 of the Undertakings and substitute it with the following:

3.5 FSB undertakes that all Research will include a prominent, specific and meaningful disclosure, in the case of FSB and Cranport (together) of the percentage (to one decimal place or if less than 1% to be expressed as “<1%”) of securities of the company that is the subject of Research held (if any) and, in the case of each writer of the Research, the number of securities held by each writer of the Research.

- 3.1.4. Delete paragraph 3.7.1 and substitute it with the following:

3.7.1 ensure that FSB, Cranport and their Associates lodge and record any bids for the securities in writing before the commencement of the bookbuild for the transaction.

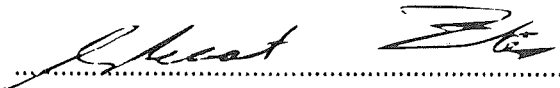
- 3.2. No other aspects of the Undertakings are changed in any way.
- 3.3. FSB acknowledges that this variation of undertaking in no way derogates from the rights and remedies available to ASIC or any other person or entity arising from any conduct described in this variation of undertaking or the Undertakings.
- 3.4. FSB acknowledges that ASIC’s acceptance of this variation of undertaking does not affect ASIC’s power to investigate, conduct surveillance or pursue a criminal prosecution or its power to lay charges or seek a pecuniary civil order in relation to any or all of the conduct described in this variation undertaking or the Undertakings or any contravention arising from future conduct.

- 3.5. FSB acknowledges that the acceptance by ASIC of the variations in section 3 above modifies the Undertakings but does not affect the validity of the Undertakings and does not prejudice ASIC's ability to take any action in relation to the Undertakings.
- 3.6. FSB acknowledges that this variation of undertaking has no operative force until accepted by ASIC.

Executed by Foster Stockbroking Pty Ltd
ACN 888 747 148 in accordance with section
127(1) of the *Corporations Act*

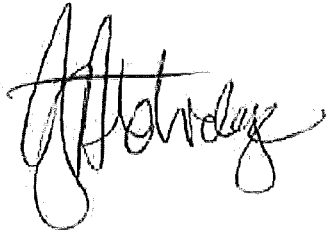


.....
Mark Anthony Fichera
Signature of Director



.....
Alan Stuart Foster
Signature of Director

Accepted by the Australian Securities and Investments Commission under the ASIC Act section 93AA by its duly authorised delegate:



.....
Calissa Aldridge
Delegate of the Australian Securities and Investments Commission

Dated 22/05/2024