

# MDA Termination Policy



OLIVE FINANCIAL MARKETS

Document Details

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## INTRODUCTION

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### 1. OVERVIEW

The below is to be read in conjunction with the **MDA Agreement**.

- 1.1 The *Corporations Act* 2001 (“**Corporations Act**”) and the *ASIC Instrument 2016/968* (“**ASIC Instrument**”) requires Olive Financial Markets Pty Ltd (“**OFM**”) to maintain a written policy setting out the steps it will take to ensure, where the MDA Agreement is terminated, that the Client Portfolio Assets will be dealt with in accordance with the ASIC Instrument.
- 1.2 The ASIC Instrument states OFM:
  - (a) must not exercise any discretion in relation to the Client Portfolio Assets once the client terminates the MDA Agreement;
  - (b) comply with the terms of the MDA Agreement as to how to deal with any Client Portfolio Assets; and
  - (c) determine how and when Client Portfolio Assets will be disposed of or transferred to the Client, where the assets are not held directly by the Client.

### 2. DEFINITIONS

- 2.1 **Client** means any client of OFM who has executed a MDA Agreement with OFM.
- 2.2 **Client Portfolio Assets** means, in relation to a client, financial products, money or other property that is:
  - (a) Client contributions of the Client;
  - (b) borrowed or raised for the purposes of the MDA service provided to the Client;
  - (c) derived directly or indirectly from financial products, money or other property referred to in paragraph (a) and (b) above.
- 2.3 **Employee** means any OFM employees, officers and independent contractors.
- 2.4 **MDA** means Managed Discretionary Account.
- 2.5 **MDA Agreement** means any MDA Agreement issued by OFM.

### 3. TERMINATION OF THE MDA AGREEMENT

- 3.1 OFM’s termination procedures comply with clause 15 of the MDA Agreement.
- 3.2 A Client may request termination of:
  - (a) their MDA Agreement with OFM;
  - (b) the discretions under the MDA Agreement.

- (c) A Client may request termination of the MDA Agreement or MDA discretions by giving two (2) business days' written notice to OFM. Written notice may be given by: Post to: Level 6, 50 Appel Street, Sydney NSW 2000; AFSL 390906.
- (d) Electronically to: [jrichmond@olivefm.com.au](mailto:jrichmond@olivefm.com.au) or [jrichmond@olivefinancialmarkets.com.au](mailto:jrichmond@olivefinancialmarkets.com.au)

3.3 Termination of the MDA Agreement does not affect transactions or positions commenced or opened prior to termination or any existing rights or obligations incurred prior to termination.

3.4 Upon receiving notice of a termination request (and within at least one (1) business day), OFM ceases to exercise any further discretions in relation to the Client Portfolio Assets and will proceed to:

- (a) close all open positions in the Client's account;
- (b) remove the Client from the trading set to ensure no further trading is conducted on the Client's account;
- (c) close the Client's account.

Where the Client requests the discretions under the MDA Agreement be terminated, OFM will ensure the Client's account remains open, but no further trading is conducted on the Client's account.

#### **4. TRANSFER OF CLIENT PORTFOLIO ASSETS**

4.1 Under the MDA Agreement, all Client Portfolio Assets are held by the Client and therefore no transfer to the Client or other dealing with the Client Portfolio Assets is required.

#### **5. COMMUNICATION WITH THE CLIENT**

5.1 OFM will promptly (and in any event within 7 days after termination) provide to the Client:

- (a) confirmation of the termination of the MDA Agreement (or the discretions under the MDA Agreement, as applicable); and
- (b) communicate to the Client that they can access final statements via the Online Client Portal, IRESS platform or MT4 platform; and

#### **6. FEES FOR TERMINATION**

6.1 OFM does not charge fees in relation to the termination of the MDA Agreement.

#### **7. TRAINING**

7.1 All Employees of OFM are required to have an understanding of this Policy. Consequently, all Employees of OFM will receive a copy of this Policy at the commencement of their employment. Training and information sessions on MDAs will be scheduled and conducted at the discretion of the Head of Compliance.

#### **8. POLICY BREACHES**

8.1 Breaches of this Policy may lead to disciplinary action being taken against the relevant party, including dismissal in serious cases.

**9. POLICY REVIEW**

- 9.1 This Policy will be reviewed on at least an annual basis by the Chief Operating Officer of OFM, having regard to the changing circumstances of OFM. The Head of Compliance will then report to the Internal Audit Committee as to any amendments and seek approval from the Risk and Compliance Committee.