

The Board and Management of Genetic Signatures Limited (**GSS** or the **Company**) recognise the importance of good corporate governance within its organisation which promotes regulator and investor confidence and adds value for GSS's shareholders and other stakeholders alike. The Board of Directors are responsible for establishing the corporate governance framework of the Company and its subsidiary entities. The Board guides and monitors the business and affairs of GSS on behalf of its shareholders by whom they are elected and to whom they are accountable.

GSS has adopted the key charters and policies which are available collectively in the Corporate Governance Charter located on the GSS website under 'Investors – Corporate Governance' at <https://geneticsignatures.com/us/investors/corporate-governance>.

This Corporate Governance Statement (**Statement**) reports against the 4th edition of the *ASX Corporate Governance Council's Principles and Recommendations* (**ASX Principles**) during the reporting period between 1 July 2024 and 30 June 2025. This Statement is current as at 25 August 2025 and has been approved by the Board.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1 - Role of the Board and Management

The Board has adopted a formal Board Policy which sets out its role and responsibilities and that of Management. The Board's primary responsibilities are to set strategic objectives of the Company, review and provide oversight of GSS's risk management framework, set remuneration policies and practices, and review and monitor corporate governance framework and codes of conduct.

It is the role of Management to carry out and manage the day-to-day business and financial operations in line with the Board's expectations and the requisite delegation of authority by the Board. There is clear segregation between the Board and Management. Any functions that are not reserved for the Board, and not expressly reserved for shareholders in general meetings as set out within the Corporations Act 2001 (Cth) (**Corporations Act**) and ASX Listing Rules, are reserved for senior executives of the Company.

The Board has established the following three Committees to assist it to carry out its functions and has delegated certain authority to the Committees to empower each to carry out their role:

- Nomination and Remuneration Committee;
- Audit, Risk and Compliance Committee; and
- Technology Committee.

The Board requires that a majority of the members of each Committee should comprise of independent Directors. The Board has also approved that, where necessary, Non-Executive Directors should meet during the year in absence of Management at such times as they determine necessary.

Recommendation 1.2: Appointment of Directors

The Nomination and Remuneration Committee assists the Board in the selection and appointment of new Directors.

Prior to the appointment of new Directors, the Company undertakes appropriate background checks on the candidate and provides this information to shareholders as part of the Notice of Meeting of the Company's Annual General Meeting (**AGM**) in accordance with GSS's Constitution, the Corporations Act and ASX Listing Rules.

Prior to each AGM, the Board determines whether it will recommend to shareholders that they vote in favour of the re-election of each Director seeking re-election, having regard to any matters the Board considers relevant, including the Director's performance.

Recommendation 1.3: Appointment Terms

The Company enters into a written agreement with each Director and senior executive which sets out the terms of their appointment, remuneration, and the expected time commitment for their role among other matters.

Directors also receive a Deed of Access, Insurance and Indemnity (Protection Deed).

Recommendation 1.4: Company Secretary

In accordance with the Board Policy, GSS's joint Company Secretaries are directly accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

The responsibilities of the joint Company Secretaries include supporting the Board on governance matters, assisting the Board with meetings and directors' duties, and acting as an interface between the Board and senior executives across the Company.

Recommendation 1.5: Diversity Policy

It is the Board's belief that a diverse workforce provides the Company with a competitive advantage and that the Company's success is the result of the collective quality and experience of its employees. The Board has adopted a Diversity Policy which is designed to support the Company's commitment to diversity. Diversity is about commitment to equality and treating all individuals with respect.

The Diversity Policy identifies several strategies to promote diversity including that the Board may set measurable objectives with respect to achieving gender equality. These strategies include developing and implementing programs i.e., mentoring and targeted training and development, reviewing succession plans, reviewing recruitment practices, and providing workplace flexibility.

With regards to gender diversity, the total workforce is appropriately evenly split between males and females. In accordance with the Company's Diversity Policy, the Board has adopted a measurable objective to achieve a minimum of 40% representation of each gender on the Board. As at the date of this Statement, the Board has achieved this target, with at least 40% of its directors identifying as female, and at least 40% as men. The Board continues to monitor its composition to ensure that diversity remains a key consideration in director appointments and succession planning.

The proportion of females on the Board, in senior executive positions and females across the entire organisation as at 30 June 2025 was as follows:

	Male	Female	Total
Board	40%	60%	100%
Senior executive positions	25%	75%	100%
Entire organisation	41%	59%	100%

The Company defined senior executives as roles supporting the Chief Executive Officer (**CEO**) with running the business and delivering on strategic objectives.

The Company is not considered a "relevant employer" under the Workplace Gender Equality Act 2012 (Cth) and therefore is not required to report against a set of standardised gender equality indicators provided by the Workplace Gender Equality Agency.

Recommendation 1.6: Board Performance Assessment

The Board is committed to evaluating its own performance, the performance of its Committees, and individual Directors, as well as the governance processes supporting the Board. The Board's Policy provides that performance is assessed annually.

During the reporting period, Directors provided written feedback in relation to the performance of the Board against a set of agreed criteria. Feedback was collected by the Company Secretary. The results were then presented to the Chair, and thereafter the Board for further discussion and to identify actions for improvement. The results of the most recent internal assessment indicated that the Board and Committees are functioning effectively against the majority of their performance criteria.

The Chair also had discussions with each Director to provide specific individual feedback on Director performance, and the Chair of the Nomination and Remuneration Committee provided individual feedback on the performance of the Chair.

Recommendation 1.7: Senior Executive Performance Assessment

Senior executives are also subject to a formal performance review process on an annual basis. The focus of the performance review is to set specific objectives that are aligned with the Company's business objectives and monitor performance against those objectives.

A performance review of the CEO was undertaken during the reporting period by the Board. Performance reviews of other senior executives were undertaken by the CEO during the reporting period.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

Recommendation 2.1: Nomination Committee

The Board has established a Nomination and Remuneration Committee to assess and make recommendations to the Board in relation to its composition and setting fair, responsible and competitive remuneration as detailed in its Charter.

The Committee is currently comprised of a majority of independent Directors, and is chaired by an independent Director as set out below:

- Neil Gunn – Independent Chair of the Committee
- Anne Lockwood – Independent Member of the Committee
- Mike Aicher – Non-Independent Member of the Committee

Details relating to the number of meetings held, and Director attendances at those meetings, are disclosed as part of the Directors' Report within the Annual Report.

Recommendation 2.2: Board Skills Matrix

The Company considers that the Board is appropriately structured given the breadth of experience and skill set of each of the Directors, and their substantial experience and recognition in the molecular diagnostics industry and other industries relevant to the Company's operations.

Further information regarding our Directors, including their experience and qualifications, is set out in the Directors' Report within the Annual Report.

A Board Skills Matrix is used as a reference to ensure the appropriate skills and experience are covered. During the reporting period, each Director undertook a self-assessment against the skills and experience listed below, and the results were discussed with the rest of the Board.

SKILLS AND EXPERIENCE	EXPLANATION
Industry experience	Senior executive or director with deep operational or technical experience with a large global biopharmaceutical, biotechnology or medical organisation (and a deep understanding of patient focus).
Government and stakeholder relations	Experience working with government, government organisations, regulators and other stakeholders (including shareholders / proxy advisors).
Customer experience	Knowledge of, or experience in, organisations and operations managing commercial business relationships in relevant sector.
CEO and listed board experience	Board, CEO and/or senior leadership experience in major organisations, enterprises or listed companies in Australia or overseas (including an understanding of ASX Listing Rules, compliance, reporting and shareholder meeting requirements), and managing through periods of rapid change.
Technology	An understanding of, or experience in, organisations with a focus on new and emerging technologies in the clinical diagnostics sector or similar fields, including oversight of strategic IT initiatives and digital transformation projects.
Cyber security	Experience in the governance or oversight of cyber security frameworks, including knowledge of risks, compliance obligations, and initiatives to protect against emerging cyber threats and vulnerabilities.
Strategy and commercial acumen	Experience in developing and implementing successful strategies using commercial judgement in enterprises with long implementation timelines, large R&D programs, and complex supply chains.
Innovation, R&D and product excellence	Experience in fostering and overseeing innovation, research and development or high quality, robust product development within large clinical diagnostics, biopharmaceutical, pharmaceutical or medical organisation.
Financial acumen	Financial knowledge, accounting or related financial management qualifications and experience, including understanding the financial statements of organisations of significant size and complexity and the ability to probe the adequacies of financial and related risk controls.
Capital Projects – Manufacturing/ Quality	Experience in an industry with projects involving large-scale capital outlays on manufacturing/quality operations with long-term investment horizons and complex regulatory requirements (lower priority).
Governance	Experience in, and knowledge of governance issues, including the legal, compliance and regulatory environment applicable to the organisation.
Sustainability	Experience in, and knowledge of sustainability issues, including environmental and social issues applicable to the organisation.
Global experience	Experience working in a globally diverse organisation with a deep understanding of and experience with global markets, economies and international political issues.
USA commercialisation experience	Experience working in a US organisation with a deep understanding of markets, economy and political issues. Experience working in other commercial and relevant international market advantageous.
People, culture and remuneration	Board Human Resources committee membership or senior executive experience relating to change management, corporate culture and the remuneration issues applicable in a global organisation.
Corporate Finance	Expert knowledge in corporate finance and managing capital to support business objectives and growth.
Risk, Compliance and HSE	Experience and deep understanding of risk management and compliance frameworks and controls, ability to identify and oversee mitigation strategies for emerging risk and compliance issues in the organisation. Experience related to workplace health, safety and environment issues in a complex manufacturing environment.

The Board continually assesses its membership and will make appointments to complement and enhance the existing skill base of the Board as necessary. The Board has established a Nomination and Remuneration Committee to assist it in carrying out this function.

Recommendation 2.3: Independent Directors

The Board Policy sets out that the Board will determine the number of independent Directors that it considers appropriate to maintain. Currently the Board requires a majority of independent Directors. This requirement was met during the reporting period.

Directors are considered to be independent when they are independent of Management and free from any business or other relationship that could materially interfere with the exercise of their independent judgement. The Board assesses Director independence on an annual basis, or more often if it feels it is warranted, depending on disclosures made by individual Directors. In the context of Director independence, the Board will have regard to the definition of independent Director and the factors set out in the ASX Principles.

The Board's 2025 assessment of each current Director is set out below.

Director	Status	Appointment Date	Period in Office
Caroline Waldron (Chair)	Independent, Non-Executive Director	13 May 2022	3 years and 3 months
Neil Gunn	Independent, Non-Executive Director	6 April 2021	4 years and 4 months
Anne Lockwood	Independent, Non-Executive Director	1 October 2024	10 months
Jenny Harry	Independent, Non-Executive Director	1 October 2024	10 months
Mike Aicher (Executive Director, US Operations)	Non-Independent, Executive Director	16 May 2014	11 years and 3 months

The Board considers that each of its Non-Executive Directors are independent having regard to the indicia in Box 2.3 in the ASX Recommendations. The Board also considers that they are free from any business or other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of their judgement, and that each of these Directors is able to fulfil the role of independent Director for the purposes of the ASX Recommendations.

Recommendation 2.4: Majority Independence

As at the date of this Statement, four of our five Directors are deemed independent. On this basis the Company has a majority of independent Directors.

It is noted that the composition of the Board is regularly assessed and subject to changes in the Company's size and growth will be adjusted as deemed appropriate. The Board will consider the Recommendations in assessing any future changes in Board composition.

Recommendation 2.5: Board Chair

The Chair, Caroline Waldron is considered an independent Director. The Chair provides leadership to the Board in relation to all Board matters and is responsible for ensuring that the Board meets its responsibilities. The Chair's role is set out in more detail in the Board Policy.

The roles of Chair and CEO are exercised by different individuals, being Caroline Waldron and Allison Rossiter, respectively.

Recommendation 2.6: Induction, Education and Training

On the appointment of new Directors, the Company Secretary will arrange an induction for the new Director which includes the provision of information related to the Company's assets, financial strategic, operational and risk management position as well as meetings with Directors.

Directors are entitled to access information from the Board and Management that they consider necessary to enable them to carry out their role as a Director. Directors may also participate in professional development activities to maintain the skills and knowledge required to perform their role as Director effectively, with the prior approval of the Board.

The Board has determined that Directors are able to seek independent professional advice for Company related matters at the Company's expense, subject to the instruction and estimated cost being approved by the Chair in advance as being necessary and reasonable.

PRINCIPLE 3: ACT ETHICALLY AND RESPONSIBLY

Recommendation 3.1: Statement of Values

The Board and Management ensure that the business processes of GSS are conducted according to sound ethical principles.

All Directors, executives and employees of the Company are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company, as outlined in the values summarised below:

- Directors, Executives and Employees will conduct themselves with openness, honesty, fairness and integrity in business transactions and in dealings with others;
- Directors, Executives and Employees will act ethically in their approach to business decisions; and
- Directors, Executives and Employees are expected to comply with all laws that govern the Company's business and the policies that the Company adopts from time to time.

All Directors, executives and employees of the Company are made aware of their obligations under the Corporations Act 2001 (Cth) with regard to trading in the securities of the Company. In addition, the Company has established a Share Trading Policy and an Insider Trading Policy which are reviewed and updated on a regular basis as required. These set out the Company's policy with respect to dealing in GSS securities. Copies of these policies are available as part of the Corporate Governance Charter located on the Company's website.

Directors who have, or may have, a conflict of interest in any activity of the Company or with regard to any decision before the Board, are required to notify the Board of that conflict. Where a Director has a conflict of interest, that Director will not be present to discuss matters relevant to that conflict, nor is entitled to vote on the matter.

Recommendation 3.2: Code of Conduct

The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has adopted a Code of Conduct which is available as part of the Corporate Governance Charter located on the Company's website.

Any material breach of the Company's policies, including a breach of the Code of Conduct, is raised, and reviewed at each Board meeting.

Recommendation 3.3: Whistleblower Policy

The Whistleblower Policy demonstrates that the Company is committed to the highest standards of conduct and ethical behaviour in all its business activities. The Company supports a culture of honest and ethical behaviour in ensuring good corporate compliance and governance. The Policy sets out, amongst other things, instances of suspected misconduct which can be reported and summarises the protections offered to whistleblowers.

Any material breach of the Company's policies, including any breach of the Whistleblower Policy, is raised, and reviewed at each Board Meeting.

The Whistleblower Policy can be found in the Corporate Governance Charter located on the Company's website.

Recommendation 3.4: Anti-bribery and Corruption Policy

The Anti-Bribery and Corruption Policy demonstrates that the Company is committed to maintaining high standards of integrity and accountability in conducting its business. The Policy provides a framework of guidelines and principles to encourage ethical behaviour in the conduct of business.

Any material breach of the Company's policies, including any breach of the Anti-bribery and Corruption Policy, is raised, and reviewed at each Board Meeting.

The Anti-bribery and Corruption Policy can be found in the Corporate Governance Charter located on the Company's website.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN CORPORATE REPORTING

Recommendation 4.1: Audit Committee

The Board has established an Audit, Risk and Compliance Committee consisting of three Non-Executive Directors. The Audit, Risk and Compliance Committee is chaired by an independent Non-Executive Director who is not the Chair of the Board. The Audit, Risk and Compliance Committee Charter that defines its roles and responsibilities is available as part of the Corporate Governance Charter located on the Company's website.

The Committee is currently comprised of a majority of independent Directors as set out below:

- Anne Lockwood – Independent Chair of the Committee
- Caroline Waldron – Independent Member of the Committee
- Jenny Harry – Independent Member of the Committee

The members of the Committee have significant financial and business backgrounds, expertise and qualifications, full particulars of which are disclosed as part of the Directors' Report within the Annual Report, as are details of meetings of this Committee and Director attendances.

Recommendation 4.2: Assurances

Prior to Board approval of the Company's half year and annual financial reports, the CEO and Chief Financial Officer (**CFO**) must provide the Board with declarations required under section 295A of the Corporations Act and Recommendation 4.2 of the ASX Principles.

The declarations confirm that in the opinion of the CEO and CFO, the financial records of the Company have been properly maintained, the financial statements comply with the appropriate accounting standards and present a true and fair view of the financial position and performance of the Company, and information disclosed in the consolidated entity disclosure statement is true and correct.

For the financial year ended 30 June 2025, the CEO and CFO made a declaration in accordance with section 295A of the Corporations Act. The declaration was formed on the basis of a sound system of risk management and internal control which is operating effectively.

On this basis, the 2025 full year financial results were approved by the Board.

In addition, the Audit, Risk and Compliance Committee meets with the external auditor, without Management in attendance on a regular basis so that there can be open and frank communication between the Committee and the external auditor.

The Committee also considers the independence of the external auditor. The Company requires that the audit partner be rotated every five years and, on an annual basis, the auditor provides a certificate to the Committee confirming their independence. The effectiveness, performance and independence of the external auditor is reviewed annually by the Audit, Risk and Compliance Committee.

Recommendation 4.3: Verification of Periodic Corporate Reporting

Periodic reports to the market which are not audited or reviewed by external auditors are subject to Management review to ensure all content is materially accurate and appropriate. The Board reviews and approves all material market announcements prior to the release to the market via the ASX Market Announcements Platform.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1: Continuous Disclosure Policy

The Board is committed to informing its shareholders and the market of any major events that influence the Company in a timely and conscientious manner. The Board is responsible for ensuring that the Company complies with the continuous disclosure requirements as set out in ASX Listing Rule 3.1 and the Corporations Act.

The Company has adopted a Continuous Disclosure Policy which is available as part of the Corporate Governance Charter located on the Company's website.

The Company Secretary is responsible for the overall administration of the Continuous Disclosure Policy, including communications with the ASX.

Recommendation 5.2: Material Market Announcements

In accordance with the Continuous Disclosure Policy, market sensitive information is discussed, and ASX announcements are reviewed and approved by the Board prior to being released on the ASX Market Announcements Platform. The Company will also ensure that any ASX announcements are also placed on the Company's website shortly thereafter.

Recommendation 5.3: Investor or Analyst Presentations

In accordance with the Continuous Disclosure Policy, any new or substantive investor or analyst presentation is released on the ASX Market Announcements Platform prior to the presentation being made to investors or analysts. The Company will also ensure that any ASX announcements are also placed on the Company's website shortly thereafter.

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation 6.1: Website

The Board ensures that its shareholders are fully informed of matters likely to be of interest to them. The Company provides information about itself and its governance via its website which includes key corporate governance policies and charters, ASX announcements, annual reports, half yearly reports, Director and Management biographical information, the contact details of its share registry, and investor presentations.

Recommendation 6.2: Investor Relations

We endeavour to communicate with shareholders and other stakeholders in an open, regular and timely manner so that the market has sufficient information to make informed investment decisions.

The Company is committed to facilitating effective two-way communication with investors and it communicates with shareholders in the following ways:

- issuing regular communications such as quarterly and half-yearly financial reporting and an Annual Report to address the Company's strategy and performance;
- posting all announcements on the Company's website after they have been disclosed to the market;
- promoting two-way interaction with shareholders, by supporting shareholder participation at general meetings including encouraging shareholders to send their questions to the Company prior to the annual general meeting and responding to their questions and feedback; and
- participation in industry events and investor presentations.

The Company also encourages shareholders to contact its office in relation to any queries by telephone on +61 2 9870 7580, or by e-mail at info@geneticsignatures.com.

Recommendation 6.3: Shareholder Meeting Participation

To encourage shareholder engagement and participation at the AGM, shareholders have the opportunity to attend the AGM, ask questions and participate in voting.

The Company ensures that its external auditor, BDO Audit Pty Ltd, attends the AGM and is available to answer shareholder questions in relation to the audit.

Shareholders who are unable to attend the AGM are encouraged to vote on the proposed motions by appointing a proxy via the proxy form that accompanies the notice of meeting. Shareholders have the opportunity to submit written questions to the Company and its external auditor or make comments on the management of the Company.

The Chair encourages questions and comments at the AGM ensuring that shareholders have a chance to obtain direct feedback from the CEO and other Directors as appropriate.

Presentations and speeches made by the Chair and CEO at the AGM will be made available on the ASX Market Announcements Platform, and the Company's website before the commencement of the meeting. The results of the general meeting will also be announced to the ASX immediately following the conclusion of the AGM.

Should shareholders wish to receive communications electronically including notices of general meetings, annual reports and other communication, they are encouraged to contact the Company's share registry, Boardroom Pty Limited by telephone on +61 2 9290 9600, or by e-mail at enquiries@boardroomlimited.com.

Recommendation 6.4: Poll

To recognise the votes of shareholders present at general meetings and those who vote by proxy, all votes at shareholder meetings are decided by poll.

Recommendation 6.5: Electronic Communication with Shareholders

Should shareholders wish to receive communications electronically including notices of general meetings, annual reports and other communication, they are encouraged to contact the Company's share registry, Boardroom Pty Limited by telephone on +61 2 9290 9600, or by e-mail at enquiries@boardroomlimited.com.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

Recommendation 7.1: Risk Committee

The Board has delegated oversight responsibility for risk management and internal control of risks for GSS to the Audit, Risk and Compliance Committee, details of which are outlined at Recommendation 4.1.

Recommendation 7.2: Risk Management Framework

The Company's risk management framework provides a structured and disciplined approach to the Company's management of its key risks which include operational, strategic, and financial risk factors.

Management and the Audit, Risk and Compliance Committee continually monitor risks throughout the year and have established methods to mitigate key risks. This includes having appropriate insurance programs in place, adequate security is in place to protect its intellectual property and trade secrets, undertaking detailed due diligence with respect to product research and development and ensuring that the appropriate patents and licences required by the Company have been obtained and are current. Other financial risks and methods that the Company has adopted to mitigate such risks are also detailed within the Notes to the Financial Statements within the Annual Report.

A review of the Company's risk management framework is undertaken by the Audit, Risk and Compliance Committee on a regular, ongoing basis. The Audit, Risk and Compliance has reviewed the Company's risk management framework during the reporting period.

Recommendation 7.3: Internal Audit

Due to the size, scale and nature of operations, the Board considers that an internal audit function is not required. It is the responsibility of Management to implement the risk management framework and manage operational and business risk. During the reporting period, the CEO and CFO have made representations to the Committee on the system of risk management and internal compliance and control which implements the policies adopted by the Board. The CEO and CFO have also confirmed that a review of the risk management framework has been undertaken during the reporting period and represented that, to the best of their knowledge, the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

Recommendation 7.4: Material Risks

The Company has identified and considers its material business risks, including any material exposure to environmental or social risks. These risks, along with the Company's approach to managing them, are disclosed in the Annual Report.

Management and the Audit, Risk and Compliance Committee continually monitor material risks throughout the year and have established methods to mitigate these risks as detailed at Recommendation 7.2.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation 8.1: Remuneration Committee

The Board has delegated oversight of remuneration matters to the Nomination and Remuneration Committee, details of which are outlined at Recommendation 2.1.

The Committee has access to Management of the Company and may consult independent experts where the Committee considers it appropriate to carry out its duties.

Recommendation 8.2: Remuneration Policies and Practices

The Company's remuneration policy is described in the Remuneration Report as part of the Directors' Report within the Annual Report which sets out the structure of remuneration of Non-Executive Director's, Executive Directors and Key Management Personnel (including the CEO).

The policy is structured to provide remuneration to Non-Executive Directors at market rates for comparable companies for time commitment and responsibilities, and the remuneration for Executive Directors and other senior executives to be based on merit including length of service, skills and experience. Currently the Company pays set fees, including superannuation to its Non-Executive Directors.

Recommendation 8.3: Equity Based Remuneration Scheme

The Company has an Equity Incentive Plan which is open to eligible employees and Directors who have a significant role in the continued development and success of the Company.

In accordance with the Company's Share Trading Policy, Directors, Executive, and any other person who is entitled to receive shares, equity performance rights and/or options as part of the Company's Equity Incentive Plan are prohibited entering into hedging arrangements with respect to the securities, that would operate to limit the economic risk associated with holding those securities.