

Corporate Governance Statement

Clara Resources Australia Limited

for the year ended 30 June 2026

This Corporate Governance Statement sets out the key features of the governance framework and reports of Clara Resources Australia Limited (**Clara**, the **Company**) in accordance with ASX's Corporate Governance Council's 4th edition of the *Corporate Governance Principles and Recommendations* (the **ASX Recommendations**).

The Board of Directors of Clara is responsible for the corporate governance of the Company. The Board guides and monitors the business affairs of the Company on behalf of the shareholders, by whom they are elected, and to whom they are accountable.

The Company's practices are largely consistent with the ASX Recommendations, and the Board has made appropriate statements reporting on the adoption of the ASX Recommendations. Where the Company's corporate governance practices do not correlate with the practices recommended by the Corporate Governance Council, the Company is working towards compliance; however, it does not consider that all practices are currently appropriate for the Company due to the size and scale of its operations. The Board has offered full disclosure and reasons for the adoption of the Company's practices, in compliance with the "if not, why not" approach, and these are summarised in this Corporate Governance Statement and the Company's Appendix 4G (published alongside this document).

The Board is of the view that, with the exception of the departures from the ASX Recommendations noted below, the Company otherwise complies with all the ASX Recommendations.

This statement is current as at 30 September 2026 and has been approved by the Board of Clara. The information contained in this statement should be read in conjunction with the Company's 2026 Annual Report.

1 LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

1.1 Role of Board and Management

The Board is responsible for overseeing the management of the Company. The Board provides input that assists in identifying and understanding emerging trends and issues; setting the broad framework within which the strategic and business plans will be prepared each year; recommending any significant shifts in the direction of the Company; and reviewing, developing and approving the Company's long-term strategic plan and ensuring the Company develops annual business plans to achieve its strategic objectives.

1.1 Role of Board and Management (continued)

Without limiting the general role of the Board, the principal functions and responsibilities of the Board include the matters set out below, subject to delegation to the Chief Executive Officer (**CEO**) and senior management as specified elsewhere in this statement, or as otherwise appropriate:

- overseeing the Company's operations including its control and accountability systems;
- appointing and removing the Chief Executive Officer, or their equivalent, as well as evaluating their performance;
- ratifying the appointment and, where appropriate, the removal of senior executives, including the Chief Financial Officer and the Company Secretary;
- monitoring, reviewing and challenging senior management's performance and implementation of strategy;
- ensuring appropriate resources are available to senior management;
- approving the Company's corporate governance framework;
- approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestments;
- monitoring the financial performance of the Company;
- appointing the External Auditor (based on recommendations of the Audit and Risk Management Committee);
- monitoring compliance with the Company's legal obligations, including those relating to the environment, native title, cultural heritage and occupational health and safety; and
- making a regular assessment of whether each Non-Executive Director is independent in accordance with the relevant policy.

The Board has delegated to the CEO day-to-day responsibility for running the affairs of the Company and to implement the policies and strategy set by the Board. The Board also delegates to the CEO and senior management the responsibilities for the day-to-day activities leading toward achievement of the Company's strategic direction with agreed boundaries and authority limitations.

The Company has adopted a Board Charter which sets out the functions and responsibilities of the Board and the matters expressly reserved to the Board and those delegated to management and details the manner in which the Board operates. The Board Charter can be accessed from the Company's website under *Corporate Governance*.

1.2 Information Regarding Director Appointments and Re-Elections

The policies and procedures for the selection and appointment of new Directors is that candidates are considered and selected by reference to a number of factors which include, but are not limited to, their relevant skills, qualifications, experience and achievements, compatibility with other Board members, and credibility within the Company's scope of activities. Directors are initially appointed by the full Board subject to election by shareholders at the next Annual General Meeting.

1.2 Information Regarding Election and Re-election of Director Candidates (continued)

Prior to the initial appointment of any Director to the Board, the Company undertakes reference and other checks to ensure the candidate is competent, has the relevant skills and experience, and would not be impaired or otherwise prohibited from undertaking their duties if appointed.

At each Annual General Meeting the following Directors automatically retire and are eligible for re-appointment:

- any Director who has been elected in the office for a period in excess of three consecutive years or until the third Annual General Meeting following her/his appointment, whichever is longer, without submitting him/herself for re-election;
- any Director who was appointed by the Directors during the year to fill a casual vacancy or as an addition to the existing Directors; and
- one-third of the Directors or, if their number is not a multiple of three, then the greatest of one or the number nearest to but not exceeding one-third (if the Company has a Managing Director, they are exempt from this requirement).

The Company has appropriate procedures in place to ensure that material information relevant to a decision to elect or re-elect a Director (including whether Directors support the election or re-election) is disclosed in the notice of meeting provided to shareholders.

1.3 Written Agreements for Appointments of Directors and Senior Executives

New Directors receive a letter of appointment and a deed of indemnity, insurance and access. Non-Executive Directors are not appointed for fixed terms. Executive Directors have written service contracts which set out the material terms of employment, including a description of position and duties, reporting lines, remuneration arrangements and termination rights and entitlements.

All written agreements setting out the terms of appointment of the Company's Directors and Senior Executives are with those Directors or Senior Executives (as the case may be) personally.

Each senior executive enters into a service contract which sets out the material terms of employment, including a description of position and duties, reporting lines, remuneration arrangements and termination rights and entitlements. Contract details of senior executives which are key management personnel are summarised within the Remuneration Report in the Annual Report which can be accessed on the Company's website at www.clararesources.com.au

1.4 Company Secretary

The Company Secretary is accountable directly to the Board through the Chairman, responsible for all matters to do with the proper functioning of the Board. Each Director is entitled to access the advice and services of the Company Secretary.

In accordance with the Company's Constitution, the appointment and removal of the Company Secretary is a matter for the Board as a whole. A copy of the Constitution is available on the Company's website under *Corporate Governance*, and the details and experience of the Company Secretary are set out within the Directors' Report contained in the 2026 Annual Report.

1.5 Diversity

The Board has set up a formal Diversity Policy which can be accessed on the Company's website under *Corporate Governance*. The Policy outlines the general purpose and principles, measurable objectives targets and key performance indicators to be achieved when the Board considers the Company to be of sufficient size and scale, given the nature of its activities, for achieving gender diversity.

The recruitment and selection processes adopted by the Company ensure that staff and management are selected in a non-discriminatory manner based on merit. The Company respects and values the competitive advantage of diversity (which includes, but is not limited to: gender, age, disability, ethnicity, marital or family status and religious or cultural background), and the benefit of its integration throughout the Company in order to improve corporate performance, increase shareholder value and maximise the probability of achievement of the Company's goals.

However, the Board of Directors does not believe that the Company is currently of a sufficient size to justify the establishment of formal and measurable objectives, having regard to the nature and scale of its activities.

The Company currently has less than five direct employees, and has no female Directors, executives or employees.

1.6 Board Reviews

The Board did not conduct a performance evaluation during the last 12 months and has not adopted a formal performance evaluation policy.

The Company believes that the small size of the Board and the current scale of the Company's activities make the establishment of a formal performance evaluation procedure unnecessary. In the normal course of events the Board reviews performance of the management, Directors and the Board as a whole. Achievement of goals and business development and compliance issues are evaluated regularly on an informal basis.

1.6 Board Reviews (continued)

The Board is provided with the information it needs to discharge its responsibilities effectively. All Directors have access to corporate governance policies and material contracts entered into by the Company. The Directors also have access to the Company Secretary for all Board and governance- related issues.

1.7 Management Reviews

The Board has not established a separate Remuneration Committee. In the absence of a formally constituted Remuneration Committee, the full Board is responsible for the proper oversight of the Board, the Directors and the Company's senior management. The Board considers that given the size of the Company, no efficiencies or other benefits would be gained by establishing a separate committee.

Given the size of the Company, its operations and its workforce, no formal, documented process is currently in place for management reviews, and no such formal review process was undertaken during the year.

2 STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

2.1 Nomination Committee

The Board is of the view that the Company is not currently of the size to justify the formation of a separate Nomination Committee. The Board currently performs the functions of a Nomination Committee and where necessary will seek the advice of external advisors in relation to this role. The Board shall, upon the Company reaching the requisite corporate and commercial maturity, approve the constitution of a Nominations Committee to assist the Board in relation to the appointment of Directors and senior management as required.

At least annually, the Board considers whether or not further skills or relevant industry experience are required to assist with the oversight of the Company, having regard to the stage of its ongoing development.

2.2 Board Skills Matrix

Maintaining a balance of experience and skills is an important factor in the Board composition. The Board of the Company is currently comprised of seasoned industry professionals with combined qualifications, skills and experience. The Company considers the current Board of Directors to provide the following matrix of skills:

- publicly-listed, junior mining industry corporate experience;
- mineral exploration, resource definition and project development expertise;
- corporate legal expertise;
- capital raising expertise and experience;
- corporate strategy development expertise;

2.2 Board Skills Matrix (continued)

- financial management and financial accounting experience;
- mining industry joint venture and farm-in experience;
- corporate M&A experience; and
- investor communication and presentation expertise.

Details of the current Directors, their skills, experience, qualifications and record of attendance at meetings are included in the Directors' Report of the Company's Annual Report each year.

2.3 Disclose Independence and Length of Service

Recognising the importance of the appropriate balance between independent and non-independent representation on the Board, the Company has developed a formal "Assessing the Independence of Directors" Policy, which can be accessed from the Company's website under *Corporate Governance*.

Due to the current size and scale of the Company's operations, there is currently two (2) independent Non-Executive Directors on the Board being Angus Middleton and Richard Willson, the Chairman. Duncan Gordon holds an Executive Director position in the Company and therefore is not currently considered independent. The Board will consider appointing further independent Directors in the future when the Company is of sufficient size and regarding the scale and nature of its activities.

The length of service and independent status of each Director can be found within the Directors' Report in the Annual Report.

2.4 Majority of Directors Should Be Independent

As noted above, two of the three directors of the Company are independent and meet the requirements of recommendation 2.4.

2.5 Chair Should Be Independent

The Company's Non-Executive Chairman, Mr Richard Willson, is considered to be independent under the ASX Recommendations.

2.6 Induction and Personal Development

The Company does not have a formal structured induction program for Directors. However, to familiarise themselves with the Company and its practices and procedures, candidates are availed of the opportunity to spend time with the Chairman, the MD/CEO, the Company Secretary and /or the CFO in order to gain an understanding of the Company's history, range of projects, capital and shareholding base, financial status and its strategic and business plans.

Via the Company Secretary, Clara will also make available upon request:

- any past minutes of Director's meetings of the Company;
- any existing policies or procedures of the Company which are in place;
- any minutes of meeting of shareholders of the Company;
- copies of the audited financial statements of the Company; and
- any other information, finance or otherwise, about the affairs of the Company that Directors request.

The Company recommends and encourages all Non-Executive Directors to attend relevant external seminars, conferences and educational programs for expanding their knowledge base and professional skills. Directors also have the right, in connection with the discharge of their duties and responsibilities, to seek independent professional advice at the Company's expense in accordance with the agreed procedure set up by the Board. For a new Director, the Company Secretary will provide the following documents:

- a Letter of Appointment including appointment terms, Directors' duties and obligations, and Directors' entitlements;
- a Consent to Act, which requires a formal written consent to become a Director, containing the minimum information required by the Company; and
- a Deed of Indemnity, Insurance and Access.

Directors are expected to have sufficient time available to dedicate to the performance of their duties, including the Board Committees.

3 ACT ETHICALLY AND RESPONSIBLY

3.1 Company Values

The Company has the following values as part of its policy framework and website disclosure:

- (i) Safety – The Company values the safety of its operations, its workforce and its contractors. The Company's Occupational Health Safety and Environment (OHS&E) policies are focused on safe exploration and operational practices.
- (ii) Respect for Stakeholders – The Company values its relationship with the range of stakeholders that are relevant to its business, including:

3.1 Company Values (continued)

- Shareholders
- Employees and contractors
- Landholders and Native Title holders
- The communities in which it works
- Governments and regulators

The Company aims to conduct its affairs and develop its projects in such a way as to cause zero harm to its range of stakeholders.

- (iii) Sustainable Development – The Company will aim to develop and operate its projects in such a way as to mitigate long-term impacts on the environment, and to provide for the protection and regeneration of local ecosystems.

3.2 Code of Conduct

The Board has established a Code of Conduct for the Directors, management and employees of the Company. The Code of Conduct requires that Directors, management and employees maintain high standards of integrity by ensuring that all business activities are conducted legally and ethically in compliance with the letter and spirit of both the law and Company policies. A copy of the Code of Conduct can be accessed on the Company's website under *Corporate Governance*.

The Company encourages the reporting of unlawful or unethical conduct via its Whistleblower Policy (refer below).

Any material breaches of the Code of Conduct are immediately reported to the Board.

3.3 Whistleblower Policy

The Board has established a Whistleblower Policy that sets out the procedure for making disclosures of information that qualifies for protection under the Corporations Act or the Whistleblower Policy. It applies to Directors, management and employees of the Company (and their relatives), as well as suppliers of the Company (and their employees, contractors, suppliers, consultants and service providers). A copy of the Whistleblower Policy can be accessed on the Company's website under *Corporate Governance*.

Any reports received under the Whistleblower Policy are immediately reported to the Board.

3.4 Anti-Bribery and Corruption Policy

The Board takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, ethically and with integrity in all of its business dealings and relationships. This extends to implementing and enforcing effective systems to counter bribery and corruption, and the Board has established an Anti-Bribery and Corruption Policy. A copy of the Anti-Bribery and Corruption Policy can be accessed on the Company's website under *Corporate Governance*.

4 SAFEGUARD INTEGRITY IN CORPORATE REPORTING

4.1 Audit Committee

The Company does not have an audit committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by an audit committee can be adequately handled by the full Board. At such time when the Company is of sufficient size, a separate Audit and Risk Management Committee will be formed.

It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes both internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial and non-financial information. It is the Board's responsibility for the establishment and maintenance of a framework of internal control of the Company.

The Company has established procedures for the selection, appointment and rotation of its external auditor. The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises, as recommended by the Audit Committee (or its equivalent). Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Audit Committee (or its equivalent) and any recommendations are made to the Board.

4.2 CEO and CFO Certification of Financial Statements

Prior to the approval of the Company's financial statements each year, the Chief Executive Officer and the Chief Financial Officer confirm in writing to the Board that the financial reports of the Company for the financial year:

- present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards;
- the statement given in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects in relation to financial reporting risks.

The Board acknowledges that the internal control assurances from the CEO and CFO are not absolute, and can only be provided on a reasonable basis after having made due enquiries. Because much of the evidence available is persuasive rather than conclusive, the process is not designed to detect all potential weaknesses in control systems.

4.3 Verification of Periodic Corporate Reports

For periodic corporate reports released to the market which are not required to be audited or reviewed by the Company's external auditor, the reports are subject to an internal review and approval process prior to market release. This process involves the reports being prepared and reviewed by relevant subject matter experts, an internal verification and sign off process, material statements being reviewed for accuracy, and an appropriate approval process involving senior executives, and for disclosure of certain matters, the approval of the Board.

A prime example of the above process is that, as a participant in the resources sector, the Company is required to lodge Quarterly Cash Flow Statements, which are not audited. This source of information is prepared by the Company's accountant, checked by the CFO / Company Secretary and circulated to the Board before release to the market.

5 MAKE TIMELY AND BALANCED DISCLOSURE

5.1 Continuous Disclosure Policy

The Board has adopted a Continuous Disclosure Policy to ensure compliance with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. The Policy sets out the rules and procedures for ASX information disclosure, the responsibility of the Board, senior executives and staff to ensure that price sensitive information is identified, reviewed by management and disclosed to ASX in a timely, clear and objective manner. The Policy also ensures that all information provided to ASX is posted on the Company's website as soon as possible after its disclosure to ASX.

The Company Secretary manages the Company's compliance with its continuous disclosure obligations and is responsible for communications with, and coordinating disclosure of information to, ASX.

Directors receive copies of all announcements released to the market and copies of related information, such as financial statements and public presentations, and are aware of and accountable for, the Company's compliance with regard to continuous disclosure. A copy of the Continuous Disclosure Policy is available on the Company's website under *Corporate Governance*.

5.1 Directors Should Receive Copies of Material Market Announcements

Directors receive copies of all announcements released to ASX and copies of announcements, including related information, such as financial statements and public presentations, and are aware of and accountable for, the Company's compliance with regard to continuous disclosure.

5.2 Release of New Presentations to Market

In order to ensure the equality of information among investors, the Company releases to the market a copy of all new and substantive investors or analyst presentations ahead of delivery.

6 RESPECT THE RIGHTS OF SECURITY HOLDERS

6.1 Information on Website

Information about the Company and its operations is located at www.clararesources.com.au

Information about the Company's corporate governance policies can be found on the Company's website under *Corporate Governance*.

6.2 Two-Way Investor Relations Program

The Company is committed to informing shareholders of all major developments affecting the operations of the Company and the state of its affairs. Communications with shareholders include:

- the Annual Report which is distributed, or otherwise made available, to all shareholders;
- the quarterly activities report;
- the half-year financial report;
- the Annual General Meeting and other general meetings called to obtain shareholder approval for significant corporate actions, as appropriate;
- Company announcements; and
- all of the information available on the Company's website.

Conference and investor presentations, including videos where applicable, are made available on the Company's website and via its newsletter service. The Company operates a Twitter account and has a free newsletter subscription page available to all interested parties on its website.

The Company welcomes questions from shareholders at any time, and these are answered promptly unless the information requested is market sensitive and not in the public domain. All announcements made by the Company to the market (except disclosures of a routine compliance or administrative nature) are posted to the Company's website.

6.2 Facilitate Participation at Meetings of Security Holders

The Company encourages shareholder participation at its AGMs, including by making notices of meetings available on its website. Typically, shareholder meetings are convened in Brisbane where the Company's head office is located. Shareholders are able to attend in person, appoint a proxy to attend in person (eg. Australian Shareholders' Association), or complete and submit their proxy forms in writing. Clara's External Auditor attends the Company's AGMs and is available to answer any questions which shareholders may have about the conduct of external audit for the relevant financial year and the preparation and content of the audit report.

6.3 Substantive Shareholder Resolutions Determined by Poll

All substantive resolutions at meetings of the Company's security holders are decided by a poll rather than by a show of hands.

6.4 Facilitate Electronic Communications

The Company has the capability to communicate with shareholders electronically through its website, email communications and Twitter. Electronic contact details are provided on the Company's website.

Security holders are able to elect to receive electronic communications from the Company's share registry, Link Market Services.

7 RECOGNISE AND MANAGE RISK

7.1 Risk Committee

The Company does not have a risk committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by a risk committee can be adequately handled by the full Board. At such time when the Company is of sufficient size, a separate Audit and Risk Management Committee will be formed.

It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes both internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial and non-financial information. It is the Board's responsibility for the establishment and maintenance of a framework of internal control of the Company.

The Board has adopted a Risk Management Policy to assist with the identification and review of risk as well as the responsibilities within the Company.

7.2 Annual Risk Review

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required by the Board to report back on the efficiency and effectiveness of risk management, inter alia, by benchmarking the Company's performance against industry standards.

The risk profile of the Company contains both financial and non-financial factors including operational, field and geological risks, and a range of financial and corporate risks. To mitigate these risks, the Company has in place an experienced Board, regular Board meetings, an Audit and Risk Management Committee which aims to meet at least bi-annually, six monthly financial and internal audits, rigorous appraisal of new investments, and advisers familiar with the Company. The Company's risks have been reviewed on a regular basis throughout the reporting period by the Board.

7.3 Internal Audit

The Company does not have a formal internal audit function due to its current size. The Audit and Risk Management Committee monitors the need for an internal audit function. The Company's management periodically undertakes an internal review of financial systems and processes and where systems are

considered to require improvement, these systems are developed.

The Company's External Auditor is consulted for advice by the CFO and / or the Chair of the Audit and Risk Management Committee. At this stage the Company's operational and financial functions are not complex, and all expenditure authorizations include the CEO and the CFO or Company Secretary. All suppliers are known to the Company, and any irregular or unrecognised expenses are routinely queried and discussed with one of the three personnel noted above.

7.4 Sustainability Risks

The Company, as an exploration company, faces inherent risks in its activities, including economic, environmental and social sustainability risks which may have a material impact on the Company's ability to create value for its shareholders.

The Board regularly monitors the operational and financial performance of the Company's activities. It monitors and receives advice on areas of operation and financial risk and considers strategies for appropriate risk management. All operational and financial strategies adopted are aimed at improving the value of the Company's projects and assets. However, the Directors recognise that mineral exploration and evaluation is inherently risky. Material business risks will be addressed in the Review of Operations in the Annual Report.

In relation to environmental risks, the Company closely monitors its exposure to all such risks at the Granville Tin Project at the west coast of Tasmania and the various sites in South East Queensland, and seeks the input of specialist environmental consultants as required.

The Company considers that it is not currently materially impacted by the risks associated with Climate Change, and has provided an explanation in the Director's Report of its Annual Report.

8 REMUNERATE FAIRLY AND RESPONSIBLY

8.1 Remuneration Committee

The Board has not established a Remuneration Committee. The Board considers that given its size, no efficiencies or other benefits would be gained by establishing of such a committee. The role of the Remuneration Committee is carried out by the full Board. The Board has recourse to the framework for the Remuneration Committee Charter, which is part of the Company's Corporate Governance Charter.

In terms of remuneration structures for Directors and Executives, the Board benchmarks itself against industry peers, broad remuneration trends and statistics available via third party providers, and recruitment or human resource providers as appropriate to any appointment or review process.

8.1 Disclosure of Executive and Non-Executive Director Remuneration Policy

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and the Executive team. The Board assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by reference to relevant employment market

conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and Executive team. Disclosure of the remuneration details for Directors and Executives occurs each year in the Remuneration Report segment of the Company's Annual Report. Details of the CEO's remuneration arrangements are published to the market at the time they are established and at the time of any material change thereafter.

The constitution of the Company provides that the Non-Executive Directors are entitled to remuneration as determined by the Company (and approved by shareholders) to be apportioned among them in such manner as the Directors agree and, in default of agreement, equally. The aggregate remuneration currently determined by the Company is \$350,000 per annum. Additionally, Non- Executive Directors are entitled to be reimbursed for properly incurred expenses. Directors may have the opportunity to participate in the Company's option plan, subject to governance considerations and the approval of shareholders.

The remuneration of the Executives may from time to time be fixed by the Board, which will comprise a fixed remuneration component and may include offering specific short and long-term incentives in the form of performance based salary increases and/or bonuses; and/or the issue of options.

Details of the Company's remuneration arrangements for Non-Executive Directors, Executive Directors and senior Executives, including fee rates, are set out in the Remuneration Report in the Annual Report.

8.2 Equity Based Remuneration Scheme

The Company's Share Trading Policy specifically prohibits Directors and senior Executives from engaging in short-term trading in the Company's securities. The Share Trading Policy can be accessed on the Company's website under *Corporate Governance*.

Under the Company's Securities Trading Policy, participants are not permitted to enter into any form of transaction or hedging arrangement which would limit the economic risk associated with unvested securities or securities subject to any form of holding lock.