

## Client Agreement – Terms and Conditions

These terms and conditions apply to Your Share Trading Account with State One Stockbroking Ltd [SOSL] [ABN 95 092 989 083] [AFSL 247100] of Level 14, State One House, 172 St George's Terrace, Perth, Western Australia (the parent company of **amscot** Stockbroking) ("State One"), in relation to the provision of stockbroking and other services as offered by the **amscot** Stockbroking division of State One (we/us) from time to time.

- 1) Agreement
  - (a) Subject to this Agreement, State One will deal (or will instruct third persons to deal) on Your behalf in Financial Products traded on Australian Securities Exchange Ltd ("ASX"), Chi-X Australia Pty Ltd ("CHI-X") or any other stock exchange (an "Exchange") in accordance with Your instructions.
  - (b) You and State One are bound by and will comply with the Corporations Act, the ASIC Market Integrity Rules, the Operating Rules that apply to each Relevant Exchange, the ASX Clear Operating Rules and ASX Settlement Operating Rules, any other directions, decisions and requirements, customs, usages and practices of the ASX or any other Exchange where any dealing in Financial Products takes place.
- 2) You acknowledge that any dealing in Financial Products through **amscot** Stockbroking has occurred without any advice having been given to You by State One, or any related Company, or any officer, agent or employee of any State One Capital Group company. You acknowledge that neither State One nor any of its staff have been provided with any information about Your investment objectives, financial situation or particular needs in respect of this account.
- 3) You acknowledge that You are required to either provide State One with sufficient monies or scrip to settle an order prior to placing it, or to otherwise indicate the ability to meet their obligations in this regard on or before the settlement date. You will normally be required to have established a Cash Management Account with a financial institution accessible by State One and to have deposited sufficient cleared funds with that account to cover the cost of Financial Products purchased.
- 4) In any instance where State One does not hold monies and scrip on Your behalf sufficient to effect settlement, You will upon receipt of the confirmation note:
  - (a) for a purchase, pay the purchase price to State One by no later than 10.00 am Australian Eastern Standard Time on the Settlement Date specified on the confirmation note; or
  - (b) for a sale, deliver sufficient valid scrip and any other necessary documentation of unencumbered Financial Products to a State One office by no later than 10.00 am Australian Eastern Standard Time on the business day before the Settlement Date specified on the confirmation note.

State One will not accept payments in cash or by credit card. You will make all payments under this agreement either to State One directly or to its bank, by cheque, BPay® or other means acceptable to State One, and not by cash or credit card.
- 5) If you fail to settle a contract by the Settlement Date as required by this Agreement, State One is entitled to resell or repurchase, as the case may be, the Financial Product the subject of the confirmation at Your risk and expense (including any applicable brokerage, GST and administration fees) and claim any resulting loss from You.
- 6) This Agreement applies to all transactions in all Financial Products including without limitation, equities, exchange traded options and warrants, but does not include futures contracts. Where You propose to execute transactions in exchange traded options or warrants, You must first execute and deliver to State One the Australian Options Market Client Agreement or the ASX Warrant Client Agreement, as the case may be.
- 7) You acknowledge and agree that:
  - (a) You will take all reasonable steps to obtain and communicate to State One all information and deliver or cause to be delivered to State One all documents with respect to dealings in Financial Products on an Exchange which are requested by a person having a right to request such information or documents, and deliver or cause to be delivered all documents to the person so requesting;
  - (b) a notice signed by any director, manager or other authorised employee of State One stating the amount of monies due and payable by You is prima facie evidence of the same;
  - (c) State One may obtain credit reports on You for the purpose of assessing the circumstance in which State One will require payment of monies or delivery of scrip prior to placement of an order. Credit information acquired by State One about You may be disclosed by State One to credit reporting agencies.
- 8) You may from time to time give notice to State One of any person or persons authorised to give instructions to State One on Your behalf in accordance with and for the purpose of this Agreement. Any such notice shall set out the name and specimen signatures of the person or persons so authorised by You and their specimen signatures are set out in the Account Application Form and / or Third Party Authority.
- 9) Any such authority may be revoked but such revocation is only effective upon receipt by State One of a written notice of revocation from You. State One may assume the genuineness and authenticity of any instructions given or purportedly given orally or in writing by You or by any person authorised by You, and that any person claiming to be a person authorised by You is in fact that person. State One is not obliged to make any enquires as to any of the matters referred to in this clause and is entitled to act, and You hereby instruct State One to act upon any such instructions believed by it to be genuine and to be given by a person duly authorised to give such instructions.
- 10) Without limiting any other provision of this Agreement or the ASIC Market Integrity Rules, the Operating Rules of each Relevant Exchange, ASX Clear Operating Rules and ASX Settlement Operating Rules, You must pay to State One:
  - (a) brokerage at such rates as may be advised by State One from time to time;
  - (b) any fees, taxes or other charges as may from time to time be levied on or in connection with any dealings in Financial Products entered into on Your behalf; and
  - (c) in respect of any unpaid amounts required to be paid under this Agreement (including, without limitation, any amounts due as a result of Your failure to pay interest on all such amounts denominated in Australian dollars at the rate of 14% per annum or the rate prescribed from time to time pursuant to the Credit Act 1987, such interest to accrue and be calculated daily from the due date (irrespective of any grace period) to the date of its payment in full.
- 11) You authorise:
  - (a) State One to deduct any amounts payable from any account maintained by You with State One or any related body corporate.
  - (b) State One to make payments due under this Agreement to You or in accordance with Your written directions. Until otherwise directed You hereby direct that payments may be made to the person(s) set out in the Account Application Form and / or Third Party Authority, or at the direction of that person(s). Payment to any person as directed in accordance with this provision constitutes a good discharge by State One in respect of amounts so paid.
- 12) State One reserves the right to refuse to deal on Your behalf in relation to any dealing in Financial Products, or to deal only on such conditions as State One considers appropriate.
- 13) You acknowledge that State One may record any select or all incoming and/or outgoing phone calls without making a disclosure to You of this nature each and every time You speak with a representative of State One. These calls may be recorded with or without an audible tone.
- 14) You authorise State One to make any enquiries regarding Your credit worthiness from any person including (without limitation) FSPL, any credit agency or bank.
- 15) You authorise State One to collect personal information so that we may provide You with the products and services which You may request from time to time, or products and services which may be of interest or benefit to You. If you provide us with inaccurate or incomplete information, we may not be able to provide You with the services or products You request.
- 16) You agree that information collected about You (including all parties to the account/s You hold with State One) is collected for the purposes of this Agreement, including (without limitation):
  - (a) to assess Your application to open a Client Account or a CMA;
  - (b) to effect purchases and sales of financial products;
  - (c) to effect the transfer of funds and payments;
  - (d) where applicable to allow State One to communicate with third parties in connection with the matters contemplated by this Agreement; and
  - (e) to ensure that legal and regulatory requirements are met.
- 17) You agree that You have read and understood the **amscot** Privacy Policy as available at [www.amscot.com.au](http://www.amscot.com.au).
- 18) State One may terminate Your Account at any time and without prior notice, subject to all outstanding obligations being fully discharged.
- 19) You may terminate Your Account by giving not less than five (5) business days written notice to State One, subject to all outstanding obligations being duly discharged.
- 20) Save for any liability which cannot be excluded, State One, its employees and agents disclaim all responsibility for any loss or damage which may be suffered by You or any other person directly or indirectly through Your dealings with State One howsoever that loss or damage is caused and whether that damage is caused by any fault or negligence on the part of State One or otherwise.
- 21) The contents of confirmation notes and statements issued by State One to You are prima facie evidence of the truth of their contents and that the dealings were executed in accordance with Your instructions. Market Transactions are entered into subject to the conditions set out in ASIC Market Integrity 3.4.1. Rule. If no objection is received from You within 48 hours of service of a confirmation note or statement You are deemed to have accepted and ratified its contents which shall (in the absence of manifest error) be conclusive.
- 22) You agree to abide by ASX Operating Rules and Procedures -Section 15, which enables the ASX to deal with transaction errors and enables the ASX, in some cases, to cancel trades without having to first obtain the client's permission or agreement. Where You do not agree to cancel a transaction completed in error and the matter is referred to the ASX Dispute Governors' Committee, fees and charges may be payable and may be passed onto You.
- 23) These terms and conditions may be varied by giving You not less than five (5) business days notice (in writing or by electronic mail). Any continued use of the account by You following any such variation shall indicate an acceptance of the variation.
- 24) If You are more than one person, then all persons, including any Third Party, are jointly and severally bound by these terms and conditions.
- 25) You consent to receive Confirmations (Contract Notes) and other information provided by State One (from time to time) via email.
- 26) You agree to notify us in writing or through a facility provided by us of changes in Your details that are relevant to any dealing or proposed dealing. Email is not an acceptable method of notification of such changes. Information which is relevant to any dealing includes Your:
  - (i) name; (ii) postal address; (iii) contact phone number, fax number and email address;
  - (iv) bank account details; and (v) settlement instructions.
- 27) You undertake not to reveal to anyone the access code, secret keyword, account number or password for Your Account. You undertake not to allow any unauthorised person to issue any instructions on Your Account. You will abide by the following:
  - do not let anyone watch You enter Your access code, secret keyword, account number or password;
  - do not let anyone hear You discuss Your access code, secret keyword, account number or password;
  - do not permit anyone other than Your accountant and financial advisors to view Your trade confirmations or trading statements;
  - if any codes, keywords or passwords are advised or confirmed by letter, we suggest that they be memorised as soon as the letter is received. The letter should then be destroyed;
  - make a reasonable attempt to disguise any code, keyword or password in any record – that is scramble the details so others will not be able to readily decode them.

- 28) State One is not liable to reimburse You if any unauthorised transaction occurs on Your Account and You or any other user have not made a reasonable attempt to disguise a code, keyword or password or to prevent unauthorised access to such records.
- 29) You are responsible for fraudulent, illegal or unauthorised dealings on Your Account which are attributable to Your conduct, and You release and discharge State One from liability in this regard.
- 30) You represent that at all times during Your dealings with us You will be in a position to meet Your commitments and obligations arising from these dealings.
- 31) You represent that when You wish to sell shares, You own those shares and that they are available for delivery, and when You wish to buy shares, You will have sufficient funds to pay for those shares at the time the order is placed, and at the time the order is settled.
- 32) If we consider it is in our reasonable interest to do so and to the extent permitted by law, we may decline to act on Your behalf in relation to any particular dealings, without explanation or advance notice. Additionally, we may decline to act on Your behalf:
- where the original instruction is more than 9 weeks old and has not been reconfirmed;
  - where the basis of quotation for the security has changed and the order has not been reconfirmed;
  - where the security has been subject to a trading halt and the order has not been reconfirmed;
  - where the ASX has purged the order from the trading platform;
  - where we believe the transaction would result in no change of beneficial ownership;
  - where we believe the transaction would have the effect, or is likely to have the effect of creating a false or misleading appearance of active trading in any securities or with respect to the market for, or the price of, any securities; or
  - where we believe the instructions are ambiguous, incomplete or unclear.
- 33) We will not be responsible for any loss or liability incurred by You where we do not receive Your instructions or where any dealing or proposed dealing is interrupted, unable to be completed or unable to take place due to the failure of any telephone, computer, other electronic or technological service.
- 34) We will not be responsible for any loss or liability incurred by You where we are unable to receive or act on Your instructions due to circumstances that are beyond our reasonable control eg riot, civil disturbance.
- 35) You authorise us to record any telephone conversation(s) between You and us, with or without an audible tone warning device.
- 36) You acknowledge that we are not responsible for missed market opportunities during the time it takes us to follow our internal procedures, for example: opening accounts, transferring Participant Sponsored Holdings, or confirming Your identity.
- 37) You acknowledge that we will make all reasonable attempts to enter Your instructions to buy or sell securities as quickly as possible. However, should delays be experienced:
- (a) in connection with the number of participants or persons attempting to participate in the market at a point in time;
  - (b) due to verification procedures or unauthorised processes; or
  - (c) due to call waiting time or adherence to internal procedures;
- we will not be liable for any claims or lost opportunity.
- 38) You acknowledge that we will make all reasonable attempts to effect any instructions to cancel or amend orders as quickly as possible. However, should an order be filled prior to a cancellation or amendment instruction being effected You will be obliged to accept the transaction/s on the original terms. Whilst all reasonable attempts will be made to inform You when the order is filled prior to amendment or cancellation instruction being effected, we are not obliged to do so.
- 39) You acknowledge and accept that there may be delays in processing between the time an amendment or cancellation instruction is dealt with by us and the time the amendment or cancellation is effected on market. In the event an order is filled between the time it has been "approved" by us and the time we effect the instruction on market, You will be obliged to accept the transaction on the original terms.
- 40) If You are uncertain as to whether Your order has been received, You will make all reasonable attempts to verify whether the order has been received, approved and effected prior to taking further action. You agree to issue specific cancellation or amendment instructions with respect to an existing order and not to attempt to effect such changes by placing a second or duplicate order. You will be solely responsible and liable for any duplicate instruction that You place.

#### Internet Trading Rules

- 41) State One will provide You with internet-based Straight Through Processing ("STP") provided You follow the Trading Rules, as detailed below:  
We only accept buy and sell orders from the holders of valid **amscot** accounts, or holders of a valid Third Party Authority.  
To be accepted and qualify for our Internet brokerage rates, online orders must comply with these Trading Rules.  
When an order is received that does not comply with these Trading Rules, we will endeavour to contact You. However, You are ultimately responsible for revising Your order so that it complies with these trading rules. We will not be held responsible for any loss that may arise when an order is not accepted.  
These Trading Rules apply to all dealings between You as a client and us. We reserve the right to vary these Trading Rules at any time. Any such variation shall apply to any further dealing by You after it takes effect.

#### Limit Order

All orders must be submitted 'At Limit'.  
An 'At Limit' order will not be accepted, without any advice to You, if we consider the limit price to be too far away from the prevailing market price of the stock.  
Limit orders can be amended or cancelled provided the order has not already been executed.

#### Buy Orders

Buy orders can be placed for all listed securities.  
State One reserves the right at all times to decline to act on Your behalf or accept Your instructions:

- unless You have deposited in advance with State One sufficient cleared funds in Australian currency to cover the full value and costs of any "Buy" orders;
- when such funds are forwarded through a foreign financial institution, they are only acceptable if received by way of telegraphic transfer only;
- where Your instructions are believed by State One to be unclear, ambiguous or incomplete.

#### Sell Orders

We do not accept short selling orders under this service.  
Sell orders will only be accepted when selling Issuer-sponsored stock, if the Shareholder Reference Number (SRN) of the holding is quoted at the time of placing the trade and the number of units available is sufficient for settlement of the trade.  
Sell orders may not be accepted if:

- there are insufficient units available for settlement in Your Participant Sponsored Holdings sponsored by us; or
- there are insufficient units available for settlement in an Issuer-sponsored holding quoted by You; or
- an invalid SRN for Issuer-sponsored stock is supplied; or
- more than one valid SRN for Issuer-sponsored stock is supplied; or
- stock is Participant Sponsored by a broker other than us.

#### Orders not accepted online

Orders involving any of the following do not qualify for our Internet brokerage rates and can only be placed over the telephone:

- where registration details are required to be different from Your **amscot** account details; or
- where payment is required to be made in the name of a person or entity other than the account holder; or
- where Your payment instructions are different from the standing instructions for Your **amscot** account; or
- for any shareholding on a Shareholder Reference Number (SRN).

#### General

Except as provided for in Clause 26 of our **general conditions of trade**, a limit order if not cancelled or executed earlier is valid for:

- warrants and day only orders – for that business day only;
- share limit orders – 9 weeks after the date Your order is placed in the market.

Usually, an order received after market closing time is treated as an order received on the next trading Business Day.

In the event of a change in the basis of quotation of a stock (eg the stock going ex-dividend), Your outstanding order will be purged by the Relevant Exchange prior to the expiry date.

You acknowledge that Your orders may be purged from the market subject to the Articles, ASX Operating Rules, procedures, customs, usages and practices of the ASX without notice to You. You further acknowledge that State One is not obliged to notify You of any orders which are purged from the market, although State One will make all reasonable endeavours to notify You of such. State One is not liable if You do not receive notification in this regard. An order that is cancelled or purged by the Relevant Exchange will not be reinstated by State One without instructions from You.

State One reserves the right to decline to act on Your behalf or accept Your instructions where the security or other investment medium has been subject to a trading halt and You have not reconfirmed Your instructions after the halt has been lifted.

State One reserves the right to decline to act on Your behalf or accept Your instructions where in the opinion of State One Your instructions breach or may breach any law or statutory or other regulatory requirements, including without limitation any rules or regulations of the ASX.

We reserve the right to take such steps as we consider necessary to check the bona fides of any client, order or instruction before acting on that order or instruction.

- 42) You acknowledge the following in relation to Your access to STP:
- a. any orders placed by You using STP will need to meet filters set by State One from time to time. State One may amend its filters from time to time without notification. State One is not required to inform You what the filters are;
  - b. that it is possible for an order placed by You to be matched with another order also placed by State One. This 'crossing' may be with an order by another client of State One or with an order by State One itself. State One may as a result receive brokerage from both clients;
  - c. that STP is only available on 'limit' orders for securities with a normal status (i.e. not suspended or in a trading halt) and is operated between the hours of 9:30am and 4:00pm Australian Eastern Standard Time;
  - d. if Your order does not pass the filters, then it will be referred to a Designated Trading Representative ("DTR") for evaluation. In some cases the DTR has the authority not to place the order on market until You become contactable to confirm the order. State One is not liable for any delays in placing Your order as a result or for Your order not being placed at all;
  - e. that the relevant trading platform operating schedule defines the various phases of the platform and at what time they happen. You are aware that an important point is the Opening phase, in which the market opening times are staggered depending on the starting letter of the Exchange code. The trading platform will not allow input of orders during these opening times. The Schedule below approximately describes these various phases.

#### Settlement Account

- 43) For Internet trading, You agree to open a Cash Account as approved by State One from time to time. You agree that State One is irrevocably authorised by You to operate this account (including withdrawal of monies) on Your behalf to meet Your obligations under these Terms and Conditions. You agree that no person (including yourself) other than State One may instruct the bank or financial institution to withdraw monies from Your Cash Account. You acknowledge that Your Cash Account is subject to fees and charges charged by the bank or the financial institution from time to time. You also agree that all proceeds of Your "Sell" orders are to be paid into this account or any account nominated and authorised by You in writing from time to time. You irrevocably direct State One to deduct from Your Cash Account from time to time and to the maximum extent permitted by the Corporations Act, any and all amounts owed by You to State One under or in connection with these Terms and Conditions, including without limitation any amounts due to State One in respect of any costs, fees, expenses, taxes or reimbursements.
- 44) You agree that State One may at any time and in its discretion require You to transfer to a new Cash Account (which includes any form of money market account) nominated or approved by State One. You irrevocably authorise State One to do everything necessary on Your behalf to arrange and effect the transfer to any new Cash Account. You agree that upon request by State One You will do everything necessary to effect any such transfer. You also agree that the terms of Clause 37 and the rest of this agreement will apply to any new Cash Account established.
- 45) You authorise State One as Your agent to:
- i) Open a cash management trust account (the "Cash Account") on Your behalf with Macquarie Investment Management Limited ABN 66002867003 ("Macquarie"), under the style and name of: "Your share trading account name", care of State One, Level 14, State One House, 172 St George's Terrace, Perth WA 6000, Australia;
  - ii) Deposit in the Account as soon as practicable, any funds received from You or for Your Cash Account;
  - iii) Withdraw from the Cash Account in such a manner and at such times as State One deems reasonable and expedient and transfer such withdrawn amounts to the State One Trust Account for the purpose of discharging or meeting Your share trading commitments and other obligations and liabilities to State One, or for making payments in accordance with Your written directions;
  - iv) Disclose Your Tax File Number(s) or exemption details (if available in Your records) to the provider of the relevant Cash Account;
  - v) Appoint our duly appointed representatives to be the authorised signatories of the Cash Account;
  - vi) You agree and acknowledge that only State One may instruct Macquarie (or any other approved Cash Account) to withdraw or transfer monies out of the Cash Account. Further agree and acknowledge that You, or Your authorised representatives or any other person may not instruct Macquarie (or any other approved Cash Account) to withdraw or transfer monies out of the Cash Account. You also agree and acknowledge that State One can withdraw from the Cash Account any and all amounts owed by You to State One under or in connection with the terms and conditions on which You trade through State One; and

vii) You agree and acknowledge that State One may at any time and in its discretion require You to transfer to a new Cash Account (which includes any form of money market account) nominated or approved by State One. You irrevocably authorise State One to do everything necessary on Your behalf to arrange and effect the transfer to any new Cash Account. You agree that upon request by State One You will do everything necessary to effect any such transfer. You also agree that the terms of this document will apply to any new Cash Account established.

You acknowledge that You have been provided with a copy of the Cash Account Product Disclosure Statement (PDS) and that You have read and understood the PDS prior to opening a Cash Account.

You acknowledge that State One may receive a commission from the provider of the relevant Cash Account.

You acknowledge that Your interest in the Cash Account will not be subject to the protection of the National Guarantee Fund.

46) You agree that You have read and understood the State One Best Execution Policy as available at [www.amscot.com.au](http://www.amscot.com.au)

47) You agree that You have read and understood the State One Dealing Policy as available at [www.amscot.com.au](http://www.amscot.com.au)

48) Definitions

In these terms and conditions:

"amscot site" means the internet web site: [www.amscot.com.au](http://www.amscot.com.au);

"ASIC" means the Australian Securities & Investments Commission;

"ASX Settlement" means the ASX Settlement Pty Limited ABN 49 008 504 532 as approved as the Securities Clearing House under the Corporations Act;

"ASX" means the Australian Securities Exchange Limited Group ABN 98 008 624 691;

"Best Execution" means the policy under ASIC market Integrity Rules (Competition in an Exchange Market) 2011

"Cash Account" means the account referred to Section 43;

"CHI-X" means Chi-X Australia Pty Ltd;

"CHESS Holding" means an uncertificated holding of securities on a sub-register for that class of securities maintained by ASX Settlement Pty Ltd;

"State One" means SOSL [ABN 95 092 989 083, and AFSL 247100] (the parent company of **amscot** Stockbroking) of Level 14, State One House, 172 St George's Terrace, Perth, Western Australia, a participant of the ASX Group;

"STP" means straight through processing, which refers to the automated processing of a securities trade through the IRESS without any manual intervention or duplicate processing;

"You / Your" means the person, persons or company, or Third Party holding an Authority that opened a share trading account with **amscot** (State One); and "Your Account" means the share trading account opened by You with **amscot** (State One).

"We" means State One.

#### THE ASX TRADING HOURS SCHEDULE

Time (EST)	Market Phase	Notes																		
7:00am to 10:00 am	Pre-open	ITS allows the entry of bids / offers; order amendments; order cancellations; ticking of orders; reporting of off market trades; trade cancellations. ITS does not execute trades automatically during pre-opening.																		
Approximately 10:00 am to 10:09 am	Opening	ITS opening times are staggered depending on the starting letter of the ASX code for the security. ITS does not allow the input of orders during the opening, whether for the market as a whole, or for an individual security. Orders are traded in strict price/time priority.  <table border="1"> <thead> <tr> <th>Group</th> <th>Opening Time</th> <th>Codes</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>10:00:00 am</td> <td>A - B</td> </tr> <tr> <td>2</td> <td>10:02:15 am</td> <td>C - F</td> </tr> <tr> <td>3</td> <td>10:04:30 am</td> <td>G - M</td> </tr> <tr> <td>4</td> <td>10:06:45 am</td> <td>N - R</td> </tr> <tr> <td>5</td> <td>10:09:00 am</td> <td>S - Z</td> </tr> </tbody> </table>	Group	Opening Time	Codes	1	10:00:00 am	A - B	2	10:02:15 am	C - F	3	10:04:30 am	G - M	4	10:06:45 am	N - R	5	10:09:00 am	S - Z
Group	Opening Time	Codes																		
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3	10:04:30 am	G - M																		
4	10:06:45 am	N - R																		
5	10:09:00 am	S - Z																		
Approximately 10:10 am to 4:00 pm	Normal trading	ITS allows the input of bids/offers; order amendments; order cancellations; ticking of orders; enquiries; input of trades; trade cancellations. ITS executes trades automatically during normal trading.																		
4.00pm to approximately 4.10pm	Pre-open	ITS remains in pre-open until Closing Single Price Auction occurs at approximately 4.10pm.																		
Approximately 4.10pm to 4.11pm	Closing Single Price Auction	Closing Single Price Auction will occur at approximately 4.11pm EST																		

#### THE CHI-X TRADING HOURS SCHEDULE

Time (EST)	Market Phase	Notes
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06.35 am	Pre-market	<ul style="list-style-type: none"> <li>Participants may check connectivity and details concerning securities available for trading but will <u>not</u> be able to enter orders into the Chi-X market;</li> <li>The Chi-X trading system will not match orders.</li> </ul>
10:00 am to 4:12 pm	Continuous Trading	<ul style="list-style-type: none"> <li>Participants may enter orders into the Chi-X market;</li> <li>Orders are matched in accordance with the rules.</li> </ul>
4.13 pm to 6:55 pm	Post-trading Administration	<ul style="list-style-type: none"> <li>Participants cannot enter or amend orders but may cancel orders;</li> <li>Orders are not matched in this period;</li> <li>All orders remaining in the Chi-X market at the end of this period will automatically be cancelled.</li> </ul>

The Chi-X Australia market open at 10:00am is a standing start for all Chi-X quoted securities. This means some securities will be available for trading on Chi-X before they are open for trading on ASX.

## Participant Sponsorship Agreement (for CHES)

This Agreement applies when a person or entity ("The Client") agrees to be sponsored by State One Stockbroking Ltd in the Clearing House Electronic Sub-Register System ("CHES")

### 1. INTERPRETATION

1.1 Any term used in this Agreement which is defined in the ASX Settlement Rules ("the Rules") has the meaning given in the Rules.

(Should You require a copy of these definitions please contact State One Stockbroking Ltd or visit the ASX website at <http://www.asx.com.au/regulation/rules/asx-settlement-operating-rules.htm>

"You / Your" means the party/parties to this Agreement as a Participant Sponsored Holder.

1.3 "State One" means State One Stockbroking Ltd [ABN 95 092 989 083], holder of Australian Financial Services Licence ("AFSL" 2471000 and a Participant of ASX Group, Chi-X Australia and APX.

1.4 "HIN" means Holder Identification Number

### 2. APPOINTMENT

You appoint State One to provide, and State One agrees to provide, transfer and settlement services as Your agent in relation to Sponsored Holdings identified by the HIN notified to You in writing after the date of this Agreement, on the terms and conditions of this Agreement. You authorise State One as Your agent to do any act under CHES, relating to Your Sponsored Holdings.

### 3. MANDATORY PROVISIONS

#### 3.1 PARTICIPANT RIGHTS

3.1.1 Where You authorise State One to buy Financial Products, You will pay for those Financial Products within two (2) Business Days of the date of purchase.

3.1.2 Subject to Clause 3.1.3, State One is not obliged to Transfer Financial Products into the Participant Sponsored Holding, where the payment for those Financial Products has not been received, until the payment is received.

3.1.3 Where a contract for the purchase of Financial Products remains unpaid, after State One has made a demand of You to pay for the Financial Products, State One may sell those Financial Products that are the subject of that contract at Your risk and expense and that expense will include brokerage, GST and stamp duty.

3.1.4 Where State One claims that an amount lawfully owed to it has not been paid by You, State One has the right to refuse to comply with Your Withdrawal Instructions, but only to the extent necessary to retain Financial Products of the minimum value held in a Participant Sponsored Holding (where the minimum value is equal to 120% of the current value of the amount claimed).

#### 3.2 PARTICIPANT SPONSORED HOLDER'S RIGHTS

3.2.1 Subject to Clauses 3.1.3. and 3.1.4., State One will initiate any Transfer, Conversion or other action necessary to give effect to Withdrawal Instructions within two (2) Business Days of the date of the receipt of the Withdrawal Instructions.

3.2.2 Subject to Clause 6.8 State One will not initiate any Transfer or Conversion into or out of the Participant Sponsored Holding without Your express authority.

3.2.3 The Regulatory regime which applies to State One is the Corporations Act and Corporations Regulations, ASIC Market Integrity Rules, Chi-X Operating Rules, APX Operating Rules, and the rules of the ASX Group, including the ASX Operating Rules, the ASX Settlement Rules and the ASX Clear Rules and their associated procedures. You can obtain information as to the status of State One from the Australian Securities and Investments Commission ("ASIC"), Chi-X Australia Pty Ltd ("Chi-X"), Asia Pacific Exchange Pty Ltd ("APX"), the Australian Securities Exchange Limited ("ASX"), ASX Settlement Pty Ltd ("ASX Settlement") and ASX Clear Pty Ltd ("ASX Clear").

3.2.4 You may lodge a complaint against State One with ASIC, APX, Chi-X, ASX, ASX Settlement, ASX Clear or the Financial Ombudsman Service ("FOS"). You may lodge any claim for compensation with State One in the first instance and if not satisfied with State One's response, You may refer the matter to FOS. You may lodge any claims to the relevant compensation fidelity fund for each market.

### 4. OTHER RIGHTS AND DUTIES

#### 4.1 SUPPLY OF INFORMATION

4.1.1 You shall supply all information and supporting documentation which is reasonably required to permit State One to comply with the registration requirements, as are in force from time to time, under the ASX Settlement Rules.

#### 4.2 EXCHANGE TRADED OPTIONS, PLEDGING AND SUB-POSITIONS

4.2.1 Where You arrange with ASX Clear to lodge Financial Products in a Participant Sponsored Holding as a cover for written positions in the Australian Options Market, and inform State One of the arrangement, You authorise State One to take whatever action is reasonably required by ASX Clear in accordance with the Rules to give effect to that arrangement.

4.2.2 Where You arrange with any person to give a charge over, or any other interest in, Financial Products in a Participant Sponsored Holding, You authorise State One to take whatever action is reasonably required by the person in accordance with the Rules to give effect to that arrangement.

4.2.3 You acknowledge that where, in accordance with this Agreement and/or Your instructions, State One initiates any action which has the effect of creating a sub-position over Financial Products in the Participant Sponsored Holding, Your right to transfer, convert or otherwise deal with those Financial Products is restricted in accordance with the terms of the Rules relating to sub-positions.

4.2.4 Nothing in this Agreement operates to override any interest of ASX Clear in the Financial Products.

### 4.3 FEES

4.3.1 You will pay all Brokerage fees, GST and associated transactional costs within the period prescribed by State One.

### 5. NOTIFICATIONS AND ACKNOWLEDGEMENTS

5.1 You acknowledge that if State One is not a Participant of an Approved Market Operator, neither the Approved Market Operator nor any related party of the Approved Market Operator has any responsibility for supervising or regulating the relationship between You and State One, other than in relation to the Rules relating to Sponsorship Agreements.

5.2 You acknowledge that if a Transfer is taken to be effected by State One under Section 9 of the ASX Settlement Rules and the Source Holding for the Transfer is a Participant Sponsored Holding under the Sponsorship Agreement, then:

(a) You may not assert or claim against ASX Settlement or the relevant Issuer that the Transfer was not effected by State One or that State One was not authorised by You to effect the Transfer;

and

(b) unless the Transfer is also taken to have been effected by a Participant of an Approved Market Operator or a Clearing Participant of ASX Clear, You have no claim arising out of the Transfer against the relevant fidelity fund under Part 7.5, Division 4 of the Corporations Regulations.

5.3 In the event that State One breaches any of the provisions of this Agreement, You may refer that breach to any regulatory authority, including ASX Settlement.

5.4 In the event State One is suspended from CHES participation, subject to the assertion of an interest in Financial Products controlled by State One, by the liquidator, receiver, administrator or trustee of State One:

(a) You have the right, within twenty (20) Business Days of ASX giving Notice of Suspension, to give notice to ASX requesting that any Participant Sponsored Holdings be removed either:

(i) from the CHES Sub-Register; or

(ii) from the control of State One to the control of another Participant with whom You have concluded a valid Sponsorship Agreement pursuant to Rule 12.19.10; or

(b) where You do not give notice under Clause 5.4.(a), ASX Settlement may effect a change of Controlling Participant under Rule 12.19.11 and You shall be deemed to have entered into a new Sponsorship Agreement with the substitute Participant on the same terms as State One's Sponsorship Agreement. Where You are deemed to have entered into a Sponsorship Agreement, the new Participant must enter into a Sponsorship Agreement with You within ten (10) Business Days of the change of Controlling Participant.

5.5 You acknowledge that before You executed the Sponsorship Agreement, State One provided You with an explanation of the effect of the Sponsorship Agreement and You understood the effect of the Sponsorship Agreement.

5.6 You acknowledge that in the event of Your death or bankruptcy, a Holder Record Lock will be applied to all Participant Sponsored Holdings in accordance with the ASX Settlement Rules, unless the Participant Sponsored Holding's legally appointed representative or trustee elects to remove the Participant Sponsored Holdings from the CHES Sub-Register.

5.7 You acknowledge that in the event of Your death, this Sponsorship Agreement is deemed to remain in operation, in respect of the legally appointed representative authorised to administer Your estate, subject to the consent of the legally appointed representative, for a period of up to three calendar months after the removal of a Holder Record Lock applied pursuant to Clause 5.6.

#### FOR JOINT HOLDINGS ONLY

5.8 You acknowledge that in the event of the death of one of the Holders, State One will transfer all Holdings under the joint Holder Record into a new Holding under a new Holder Record in the name of the surviving Participant Sponsored Holder(s), and that this Sponsorship Agreement remain valid for the new Holdings under the new Holder Record.

5.9 You acknowledge that in the event of the bankruptcy of one of the Holders State One will:

(a) unless the legally appointed representative of the bankrupt Participant Sponsored Holder elects to remove the Participant Sponsored Holdings from the CHES Subregister, establish a new Holder Record in the name of the bankrupt Participant Sponsored Holder, transfer the interest of the bankrupt Participant Sponsored Holder into new Holdings under a new Holder Record and request

that ASX Settlement apply a Holder Record Lock to all Holdings under that Holder record; and

- (b) establish a new Holder Record in the name(s) of the remaining Participant Sponsored Holder(s) and Transfer the interest of the remaining Participant Sponsored Holder(s) into new Holdings under the new Holder Record.

## 6. CHANGE OF CONTROLLING PARTICIPANT

6.1 If You receive a Participant Change Notice from State One for Your Participant Sponsored Holding and the Participant Change Notice was received at least 20 Business Days prior to the date proposed in the Participant Change Notice for the change of Controlling Participant, You are under no obligation to agree to the change of Controlling Participant, and may choose to do any of the things set out in Clauses 6.2 or 6.3.

6.2 You may choose to terminate the Agreement by giving Withdrawal Instructions under the ASX Settlement Rules to State One, indicating whether You wish to:

- (a) transfer Your Holding to another Controlling Participant; or  
(b) transfer Your Holding to one or more Issuer Sponsored Holdings.

6.3 If You do not take any action to terminate the agreement in accordance with 6.2 above, and You do not give any other instructions to State One which would indicate that You do not agree to the change of Controlling Participant then, on the Effective Date, the Agreement will have been taken to be novated to the New Controlling Participant and will be binding on all parties as if, on the Effective Date:

- (a) the New Controlling Participant is a party to the Agreement in substitution for State One;  
(b) any rights of State One are transferred to the New Controlling Participant; and  
(c) State One is released by You from any obligations arising on or after the Effective Date.

6.4 The novation in Clause 6.3 will not take effect until You have received a notice from the New Controlling Participant, confirming that the New Controlling Participant consents to acting as the Controlling Participant for You. The Effective Date may as a result be later than the date set out in the Participant Change Notice.

6.5 You will be taken to have consented to the events referred to in Clause 6.4 by the doing of any act which is consistent with the novation of the Agreement to the New Controlling Participant (for example by giving an instruction to the New Controlling Participant), on or after the Effective Date, and such consent will be taken to be given as of the Effective Date.

6.6 The Agreement continues for the benefit of State One in respect of any rights and obligations accruing before the Effective Date and, to the extent that any law or provision of any agreement makes the novation in Clause 6.3 not binding or effective on the Effective Date, then the Agreement will continue for the benefit of State One until such time as the novation is effective, and State One will hold the benefit of the Agreement on trust for the New Controlling Participant.

6.7 Nothing in this Clause 6 will prevent the completion of CHES transactions by State One where the obligation to complete those transactions arises before the Effective Date and the Agreement will continue to apply to the completion of those transactions, notwithstanding the novation of the Agreement to the New Controlling Participant under this Clause 6.

6.8 ASX Settlement will not accept a Notice of change of Controlling Participant under Rule 8.17 where Holdings to which the Notice relates comprise AQUA products and the new Controlling Participant is not accredited in accordance with Section 18 of the Rules to facilitate the settlement of AQUA Products. In this instance your existing controlling participant must convert the AQUA Product Holdings to Holdings on the Issuer Sponsored Sub-Register. If State One fails to convert the AQUA Product Holdings to Holdings on the Issuer Sponsored Sub-Register, ASX Settlement may convert AQUA Product Holdings to Holdings on the Issuer Sponsored Sub-Register.

## 7. CLAIMS FOR COMPENSATION

7.1 As a Participant of ASX Group any claim for compensation can be lodged with the National Guarantee Fund which operates as a compensation arrangement for investors who may suffer loss due to default by State One in relation to equities, warrants and exchange trade options.

As a Participant of Chi-X any claim can be lodged (by a retail client) with the Fidelity Fund operated by Chi-X. Losses covered by the fidelity fund may include money and property given to State One in connection with effecting a transaction or proposed transaction through the Chi-X market.

As a Participant of APX, claims can be made against the APX Fidelity Fund.

7.2 If State One breaches a provision of this Agreement which falls within the circumstances specified in the compensation arrangements applicable to the Approved Market Operator or the Clearing Participant of ASX Clear under the Corporations Act and Corporations Regulations,, You may make a claim under the relevant compensation arrangements.

7.3 If State One breaches a provision of this Agreement and You make a claim for compensation pursuant to a breach, the ability of State One to satisfy that claim will depend on the financial circumstances of State One.

## 8. TERMINATION

8.1 Subject to the ASX Settlement Rules, this Agreement will be terminated upon the occurrence of any of the following events:

- (a) by notice in writing from either You or State One to the other party to the Agreement;  
(b) upon State One becoming insolvent;  
(c) upon termination or suspension of State One; or  
(d) upon the giving of Withdrawal Instructions by You to State One in accordance with Rule 7.1.10(c).

8.2 Termination under Clause 8.1(a) will be effective upon receipt of Notice by the other party to the Agreement.

## 9. VARIATION

9.1 Should any of the provisions in this Agreement be inconsistent with the provisions in the ASX Settlement Rules, State One shall, by giving You no less than 7 Business Days written Notice, vary the Agreement to the extent to which in State One's reasonable opinion is necessary to remove any inconsistency.

## Explanation of Participant Sponsorship Agreement (for CHES)

Under clause 5.5 of the Participant Sponsorship Agreement ("**Agreement**"), State One is required to provide an explanation of the effect of entering into such an Agreement. Please ensure you read this explanatory information and should you have any questions, you should contact an Amcscot dealer or the State One Compliance Officer.

### What is CHES?

CHES (Clearing House Electronic Sub-Register System) is a computer system that registers securities. CHES transfers legal ownership of securities between buyers and sellers. CHES also facilitates the transfer of monies for securities.

CHES is operated by ASX Settlement and Transfer Corporation ("ATSC"), a wholly owned subsidiary of ASX.

CHES has a monopoly on the securities clearing function in Australia, doing the securities clearing for ASX and other exchanges including Chi-X Australia and Asia Pacific Exchange Limited.

### What is the Purpose of the Agreement?

Before Your shares can be registered on CHES, an agreement must be entered into between You and an approved CHES sponsor. State One, as a full trading, clearing and settlement of ASX and other key Australian exchanges, is an approved CHES sponsor. The Agreement sets out the terms and conditions by which you appoint State One as a sponsor.

### In this explanation:

"You / Your" means the party/parties to this Agreement as a Participant Sponsored Holder.

"State One" means State One Stockbroking Ltd [ABN 95 092 989 083], holder of an Australian Financial Services Licence (AFSL # 247100) and a Participant of ASX Group, Chi-X Australia and Asia Pacific Exchange.

"AQUA Product" means an Approved Financial Product that is admitted under Schedule 10A of the ASX Operating Rules, and is a Managed Fund Product (as defined in the ASX Operating Rules) which is issued by or provided pursuant to a "simple managed investment scheme" (as defined in the amscot Account Application Form – Terms and Conditions V3.0 20160307

Corporations Regulations) in relation to which the issuer provides disclosure in the form of a shorter PDS in accordance with Part 7.9 Division 4, Subdivision 4.2C of the Corporations Regulations. ETFs and Structured Products (as those terms are defined in the ASX Operating Rules) are not AQUA Products for the purposes of these Rules.

### Explanation of the Agreement

#### 1. Interpretation

Indication as to where meanings for terms defined can be located.

#### 3. Mandatory Provisions

##### State One's Rights

You must pay State One within 2 business days of a purchase of shares. Where payment is not received, State One is not obliged to transfer these shares and if payment remains outstanding, State One may sell those shares at Your risk and expense (this includes brokerage, GST and stamp duty). Any loss arising is payable by You.

Where monies are legally owed to State One, State One can refuse to transfer Your holdings to the extent that at least 120% of the current market value remains. For example, if You owe State One \$10,000 and You currently have holdings of \$20,000 (current market value), State One can refuse to transfer \$12,000 of Your holdings.

##### Your Rights

State One will initiate any transfer or conversion within 2 business days and we will only do so if requested by You.

If You have any questions about State One's Australian Financial Services Licence (AFSL) You can contact ASIC for further information.

Should You have a complaint with State One and You don't believe the complaint has been dealt with by State One appropriately You can lodge a complaint with the Financial Ombudsman Service ("FOS").



#### 4. Other Rights and Duties

You must supply all information reasonably requested to allow State One to comply with requirements.

For exchange traded options ("options"), where You lodge holdings sponsored by State One as cover for a written position and You inform State One, You authorise State One to do whatever is required to satisfy ASX Clear Pty Ltd ("ASX Clear") requirements.

Where You arrange a charge over holdings sponsored by State One, You authorise State One to do whatever is required to give effect to that arrangement.

Where a sub-position (as per Rule 14.1.3) is created through the actions of State One, in accordance with the Agreement and Your instructions, You agree that any transfers or conversions will be restricted in accordance to the Rules relating to sub-positions (e.g. acceptance of a take over offer or the lodgement of stock as collateral for an ETO position)

The Agreement does not override any interest that ASX Clear may have.

You must pay all brokerage and associated transactional costs to State One within the prescribed period.

#### 5. Notifications and Acknowledgements

The Approved Market Operator (or related party) does not have any responsibility to You if State One is **not** a Participant of the Approved Market Operator. State One is a Participant of ASX Group ("ASX"), Chi-X Australia ("Chi-X") and Asia Pacific Exchange Ltd ("APX").

Where a transaction sponsored by State One occurs under Section 9 of the ASX Settlement Rules You cannot claim that State One did not perform the transaction or that it was not authorised by You. Where a transaction is not effected by a Participant of an Approved Market Operator, You will have no claim against the relevant compensation arrangement (refer clause 6 below).

You may notify any regulatory authority, including ASX Settlement of any breach of this Agreement by State One.

Where State One is suspended from CHES (by virtue of a liquidator, receiver, administrator or trustee being appointed) by the ASX Settlement through the issue of a Notice of Suspension, You may request that ASX Settlement Ltd (within 20 days) to either remove holdings sponsored by State One from CHES or that Your holdings be transferred to another sponsoring participant (a Participant Sponsorship agreement must be in place).

Where You do not instruct ASX Settlement within 20 days, ASX Settlement Pty Ltd may provide a substitute participant on the same terms as the Agreement. The new participant must provide You with a new agreement within 10 business days.

You acknowledge that You have been provided with an explanation of the Agreement and that You understand the effect of the Agreement. If, after reading this explanatory information (and the Agreement), You do not understand the effect of entering into the Agreement, please contact an Amscot dealer or the State One Compliance officer before signing.

In the event that You die or become bankrupt, Your holdings will be "locked" in accordance with the Settlement Rules, unless a legally appointed representative or trustee elects to remove the holdings from CHES. A "lock" will prevent transactions involving these holdings from being entered into until unlocked. In the event of death, the Agreement will continue for up to 3 months after the "lock" is removed.

For joint accounts, where one holder dies, State One will transfer all holdings to a new account in the name of the surviving account holder. The Agreement will remain in place under the new account.

For joint accounts, where one holder becomes bankrupt, State One will (unless legally appointed representative elects to remove holdings from CHES) transfer the interests of the bankrupt person to a new account in name of bankrupt person and request that it be "locked". The remaining holdings will be transferred to a new account for the non bankrupt holder.

#### 6. Change of Controlling Participant

Where notice is given to You that State One will have a change of control (e.g. taken over or sold) You may:

- Do nothing or inform State One that You will accept to the change of State One's ownership change.

In such circumstances:

- the new controller of State One will become a party to the Agreement in place of State One;
- all rights will be transferred to the new controller;
- and
- State One will have no obligations to You from the effective date of change of control.

Before the transfer can take effect, the new controller must provide You with a notice indicating that they will act as Your Sponsoring Participant.

- Request the Agreement be cancelled by giving State One written instructions that You would like to transfer Your holdings to another broker or transfer Your holdings to one or more Issuer Sponsored Holdings.

The Agreement will continue to be in place for State One for any rights and obligations that have accrued before the change in controller takes effect (or You terminate the Agreement) and State One will be obliged to complete all CHES transactions that have arisen before this date.

#### 7. Claims for Compensation

As a client of a Participant of ASX Group, Chi-X Australia and APX, you are entitled to lodge a claim for compensation (under their various compensation arrangements for each market) if you suffer loss due to default by State One in relation to trades in equities, warrants and exchange trade options.

The entitlement to make a claim is detailed under the statutory compensation arrangements specified in the Corporations Act and Corporations Regulations.

If State One breaches a provision of this Agreement and You make a claim for compensation pursuant to that breach, the ability of State One to satisfy that claim will depend on the financial circumstances of State One.

For more information on the circumstances in which a Participant Sponsored Holding may make a claim on the National Guarantee Fund or for information on the National Guarantee Fund generally, contact the Securities Exchanges Guarantees Corporation Limited.

#### 8. Termination

The Agreement may be terminated if:

- State One becomes insolvent;
- State One's participation on CHES is suspended / terminated; or
- Either party provides written notification that they wish to terminate

Any rights existing before termination will not be affected.

#### 9. Variation

Where there is an inconsistency between the Agreement and the Settlement Rules, the Settlement Rules will apply.

You will be notified of any significant change to the Agreement.

#### 10. Additional information

Additional information on CHES can be obtained from the ASX website at:

[http://www.asx.com.au/documents/research/ches\\_brochure.pdf](http://www.asx.com.au/documents/research/ches_brochure.pdf)

## ASX Warrant Agreement

This Agreement applies when a person or entity ("The Client") agrees to the following:

- The Client has received and read a copy of the Explanatory Booklet issued by the Australian Stock Exchange Limited (the Exchange) in respect of Warrants.
- The Client understand that neither Australian Options Market nor Options Clearing House Pty Limited have any involvement whatsoever in Warrants.
- The Client is aware that a Warrant has limited life and cannot be traded after its expiry date.
- The Client is aware that the Warrants do not have to standardized Terms of Issue and acknowledge that it is my responsibility to become aware of the Terms of Issue of any Warrant in which I choose to invest.
- The Client is aware that Warrants may be subject to adjustments after their initial issue. I acknowledge that it is my responsibility to become aware of any adjustments, which may have been made to any Warrant in which I choose to invest.
- The Client is aware that admission to Trading Status of a Warrant does not imply that the Exchange or the National Securities Exchanges Guarantee Corporation Limited gives any guarantee or warranty as to the viability of the Warrant-Issuer or Guarantor.
- The Client acknowledges that failure of the Warrant-Issuer or the Guarantor (if applicable) to fulfil their obligations does not give rise to a claim against the exchange handling Member Organisations or the National Securities Guarantee Corporation Limited.

## ASX Partly Paid Security Agreement

This Agreement applies when a person or entity ("The Client") agrees to the following:

1. The Client is aware that a Partly Paid Security is a security which may require The Client to make a further payment or payments at some time in the future.
2. The Client is aware that it is The Client's responsibility to obtain and read a copy of the prospectus, product disclosure statement or information memorandum issued by an Issuer which sets out the particular features of, and rights and obligations attaching to, a Partly Paid Security before The Client place an order to buy a Partly Paid Security.
3. The Client is aware that I/ we may be liable for further payments on a Partly Paid Security and that a failure to make a further payment by the specified date(s) may result in an Issuer of a Partly Paid Security or their associates or agents taking action, including legal action, against me/ us to recover the outstanding payments and/ or may result in the forfeiture of my entitlement to the Partly Paid Security.
4. The Client is aware that in certain circumstances The Client may be liable to make a further payment on a Partly Paid Security despite the fact that The Client may have disposed of a Partly Paid Security prior to the date that a further payment falls due.
5. The Client is aware that The Client should monitor announcements made by the Issuer of a Partly Paid Security and that it is The Client's responsibility to inform himself/ herself/ themselves of the dates or circumstances that a further payment falls due and the last day that The Client can dispose of the Partly Paid Security before I/ we am/ are liable for a further payment.
6. The Client is aware that the amount of a further payment may be unrelated to the financial performance of a Partly Paid Security and that the amount of the further payment may exceed the intrinsic value of a Partly Paid Security at the time a further payment falls due.

## Contingent Orders Agreement

"**amscotOnline**" means the internet trading platform available via the website URL <http://www.amscot.com.au>

"At Limit Price" means an order to buy a Financial Product at or below a specified price or to sell a Financial Product at or above a specified price.

"Contingent Order" or "Order" means an instruction from You to us to process an order once the specified Trigger has occurred. A Contingent Order has two parts, the conditions that must be met before the order is processed and the order details which indicate the stock code, the At Limit Price and the number of units to be traded.

"Dealing Rules" means the Market Rules of the ASX Ltd ABN 95 008 642 691, the Clearing Rules of the Australian Clearing House Pty Ltd ABN 29 003 435 014 and the Settlement Rules of the ASX Settlement and Transfer Corporation Pty Ltd ABN 49 008 504 532, as amended from time to time.

"Market" means the market established by the ASX

"Open Contingent Order" means a Contingent Order where the Trigger has not yet been met and has not been cancelled

"Trigger" means a set of criteria set by You that must occur before a Contingent Order is processed. A Trigger must specify a Trigger Price only.

"Trigger Price" means the price You require a specified Financial Product to trade at before a Contingent Order is processed.

"You or Your" means each person or entity that places a Conditional Order and their Authorised Agents

### 1. THE (STOP/LOSS) CONTINGENT ORDER SERVICE

The creation of the Contingent Order Service is for the sole purpose of creating stop loss orders.

We offer the Contingent Order Service to You under our Australian Financial Services License (number 247100).

Your use of the Contingent Order Service must not:

- a. be for an improper purpose;
- b. threaten the integrity of the Market, including for the purpose of manipulating the price of a Financial Product; or
- c. interfere with the conduct of an orderly Market.

By placing a Contingent Order using **amscotOnline** You agree:

- a. to be bound by the Dealing Rules and the terms and conditions as outlined in the Client Agreement;
- b. that You understand and accept the risks associated with placing a Contingent Order;
- c. that You will place contingent orders into our order entry system in accordance with the Instructions to create a (stop/loss) contingent order document;
- d. You have read, and understood, the information provided in the Contingent Order Disclosure Statement;
- e. a Contingent Order must nominate:
  - i. a Financial Product code,
  - ii. a Trigger Price and
  - iii. the details which indicate the Financial Product code, the At Limit Price and the number of units to be traded. We will not accept a Financial Product price of "At Market" for the relevant Financial Product You wish to trade;
- f. a Contingent Order accepted by us is valid until cancelled or triggered. When a corporate action is declared in respect of a Financial Product noted in an Open Contingent Order, that Contingent Order will be automatically cancelled;
- g. the Trigger Price is satisfied when at least one unit of the relevant Financial Product trades on the ASX at the price specified by You;
- h. once a Contingent Order is processed and placed into the Market it has the same characteristics as any other order You have placed into the Market; and
- i. Contingent Orders having the same Trigger may not be vetted and processed in time order of receipt. It is Your responsibility to ensure the Contingent Order You place will achieve Your intended outcome.

### 2. AMENDING AND CANCELLATION OF CONTINGENT ORDERS

You may amend or cancel an Open Contingent Order online via **amscotOnline**. We accept no liability for any losses incurred by You or a third party arising directly or indirectly as a result of our failure to cancel Your Contingent Order and/or accept a new Contingent Order from You.

### 3. TERMINATION OR RESTRICTION OF ACCESS TO THE CONTINGENT ORDER SERVICE

- a. if we terminate, suspend or limit Your access to Your **amscotOnline** Account, Your access to the Contingent Order Service will (at the same time) be automatically terminated, suspended or limited (as the case may be).
- b. we may terminate, suspend, or limit Your access to the Contingent Order Service if there is high volatility in the Market as a whole or in relation to a particular Financial Product.
- c. if we terminate, suspend or restrict Your access to the Contingent Order Service for any reason, we accept no liability for any losses incurred by You or a third party arising directly or indirectly as a result of such termination, suspension or restriction.
- d. we must at all times comply with the Dealing Rules and all applicable laws, which may require us to suspend, limit or prohibit access to the Contingent Order Service.
- e. we may cancel any Contingent Orders that have not been triggered at our sole discretion.

### 4. CONTINGENT ORDER SERVICE LIABILITY

In addition and subject to those provisions of the Trade Practices Act and any other rights implied by law which cannot be excluded by agreement between You and us, we exclude all liability in contract, tort (including negligence) or otherwise relating to or resulting from use of the Contingent Order Service and for any loss incurred by You or a third party directly or indirectly, including as a result or arising out of:

- a. the failure to provide the Contingent Order Service on a 24-hour continuous basis;
- b. any interruptions, delays, failures or inaccuracies in the processing of Your Contingent Order including as a direct or indirect result of:
  - i. an unexpected or sudden fall or rise in the Market;
  - ii. a large volume of Contingent Orders received by us; or
  - iii. a dispute concerning Your Contingent Order.

### 5. ACKNOWLEDGEMENTS REGARDING CONTINGENT ORDERS

- a. You acknowledge and agree that:
  - i. Your use of the Contingent Order Service is at Your own risk;
  - ii. You are aware that using the Contingent Order Service involves risks in addition to the usual risks of trading in Financial Products and You understand the additional risks of using the Contingent Order Service;
  - iii. You are solely responsible for monitoring Your Contingent Order/s and making decisions in relation to that/those Order/s;
  - iv. You are responsible for placing Contingent Orders and for all errors made in placing Orders through the Contingent Order Service;
  - v. You will have the required resources to settle each Contingent Order You place;
  - vi. we do not guarantee that any specified price or volume will be achieved or that a Contingent order that has been processed will execute in part or full;
  - vii. where we receive multiple Contingent Orders, each with common conditions, from different clients, the placement of the Orders into the Market may not be made in the same order as we received them;
  - viii. although we will endeavour to provide the Contingent Order Service on a 24-hour continuous basis, it may not always be possible to provide the Contingent Order Facility on that basis;
  - ix. You and Your authorised agents have received, and read, the Financial Services Guide, the Client Agreement Form, Contingent Terms and Conditions;
  - x. You may not be able to place, cancel or vary a Contingent Order if the Contingent Order Service is not available.
  - xi. at the close of business on the last day of each month, **amscotOnline** will cancel all Contingent Orders from the previous month and when a corporate action is declared in respect of a Financial Product noted in an Open Contingent Order, that Contingent Order will be cancelled automatically.
- b. by using Contingent Orders You acknowledge that:
  - i. **amscotOnline** does not provide any guarantee as to the effectiveness of a Contingent Order in limiting Your losses or ensuring gains;
  - ii. You accept without limitation all risks associated with the use of a Contingent Order;
  - iii. You have read, understood and agree to place Contingent Orders as specified in the **amscotOnline** Instructions to create a (stop/loss) contingent order; and
  - iv. **amscotOnline** recommends You seek appropriate professional advice before using a Contingent Order.

### 6. CONTINGENT ORDER DISCLOSURE STATEMENT

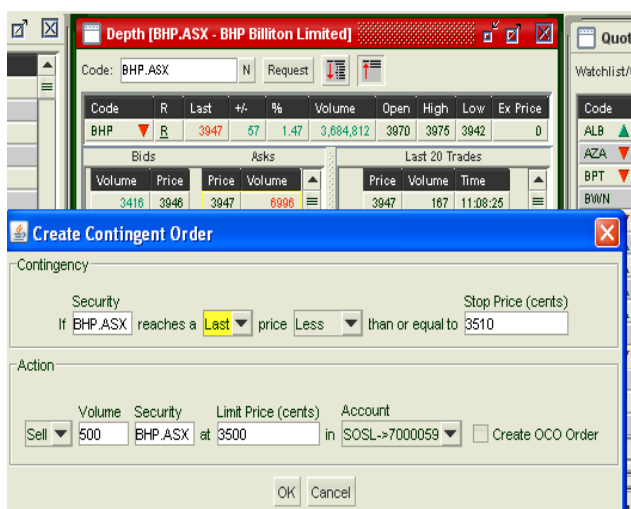
- a. a Stop Loss Contingent Order uses the last traded price on the market to determine whether the Trigger price condition has been met.
- b. a triggered Stop Loss Order does not guarantee that Your sale order will be filled;
- c. short term price fluctuations either upwards or downwards may cause Your order to Trigger and trade before the price recovers to its previous level; While this limits Your downside risk it may cause You to miss out on the upside profit gain. In addition, when a stock price falls rapidly, the limit price of Your order may be higher than the market price being offered when Your order is placed into the market. This may mean Your order will not be traded at the price You have set;

- d. You can amend Your order just like any other order. In addition, even if Your market conditions are met there is still no guarantee that Your order will trade, for example there may not be adequate liquidity in the market for Your order to trade completely;
- e. this Disclosure Statement does not disclose all the risks associated with the use of a Contingent Order. It should not be relied upon as a complete explanation of the risks involved with using Contingent Orders. If You need further explanation of the risks associated with the use of a Contingent Order, You should seek appropriate professional advice;
- f. while the intention of a Contingent Order is to limit losses to a certain amount, an order may not always be effective because market conditions may make it impossible to execute a particular instruction;
- g. market conditions such as illiquidity may make it difficult or impossible for **amscot**Online to find sufficient counterparty volume to sell stock between the Contingent price and the limit price; and
- h. this document has been prepared without taking account of the objectives, financial situation or needs of any particular individual. For, this reason, any individual should, before acting on the information in this report, consider the appropriateness of the information, having regard to the individual's objectives, financial situation and needs and, if necessary, seek professional advice.

#### Instructions to create a (stop/loss) contingent order

Open the Create/Edit Contingent Order dialog box by doing one of the following:

1. Create a new (stop/loss) contingent order
  - a. From the DEPTH Screen of the relevant Security, right click, select Create Contingent Order
  - b. USE **"LAST" PRICE**. (**CAUTION:** If clients use "BID" or "ASK" price, contingent orders will be triggered when a security goes into any matching phase and the relevant Trigger price is met.)
  - c. USE **"LESS" THAN OR EQUAL TO**.
  - d. In the Stop Price box, type the price that will Trigger the contingent order.
  - e. In the ACTION box, select **"SELL"**
  - f. In the Volume box, type in the required volume to sell
  - g. In the Limit Price, type in the price that You want the order to go into the Market at.
  - h. Do **NOT** tick the Create OCO Order box.
  - i. Click OK



OR

2. Open the Contingent Orders command from the ORDERS tab

If You have more than one account, in the Account list, select the account in which You want to configure a contingent order. You can choose to view All Accounts. After You select an account, the Contingent Orders command updates to list all contingent orders for the selected account.

Create a new contingent order by doing the following:

- a. Click + Add. The Create Contingent Order dialog box opens
- b. Type the security code in the security box.
- c. USE **"LAST" PRICE**. (**CAUTION:** If clients use "BID" or "ASK" price, contingent orders will be triggered when a security goes into any matching phase and the relevant Trigger price is met.)
- d. USE **"LESS" THAN OR EQUAL TO**.
- e. In the Stop Price box, type the price that will Trigger the contingent order.
- f. In the ACTION box, select **"SELL"**
- g. In the Volume box, type in the required volume to sell
- h. In the Security box, type in the security code (should be the same as the security code used above)
- i. In the Limit Price, type in the price that You want the order to go into the Market at.
- j. Do **NOT** tick the Create OCO Order box.
- k. Click OK

These instructions are the only way **amscot**Online recommends clients use the Stop/Loss Contingent Order Service.