



A Division of State One Stockbroking Ltd /// ABN 95 092 989 083
AFSL 247 100 /// Participant of ASX Group & Chi-X Australia

Contingent Order Service
(Stop Loss)
CLIENT AGREEMENT FORM
with State One Stockbroking Ltd

I/We
(Full name)

of
(Address)

amscot Account Number.....

hereby declare:

- a. that I/we understand and agree to be bound by the attached documents:
 - i. the Contingent Order Terms & Conditions;
 - ii. the Contingent Order Disclosure Statement and
 - iii. by the amscot Client Agreement
- b. that I/we understand and accept the risks associated with placing Contingent Orders; and
- c. that I/We agree to only place our Contingent Orders directly through amscot’s dealing desk, and not by email or fax.

.....
(Client signature)

.....
(Client signature)

.....
(Client name)

.....
(Client name)

DATE...../...../.....

After reading the attachments:

Please return this completed agreement to amscot to activate your Contingent Order service:

Send the completed form to: amscot Stockbroking
PO BOX 7625
CLOISTERS SQUARE
WA 6850

Telephone: 1300 308 305
Email: discount@amscot.com.au

CONTINGENT ORDER TERMS AND CONDITIONS

Definitions

"**amscot's dealing desk**" means the telephone trading service provided by amscot, as a division of State One Stockbroking Ltd.

"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" 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 Triggered for processing and the order details which indicate the stock code, the At Limit Price and the number of units to be traded.

"Operating Rules" means the Operating Rules of the ASX, ASX Clear and ASX Settlement, 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 the order has not been cancelled.

"Trigger" means a set of criteria set by you that must be met before a Contingent Order is processed. A Trigger must specify a Trigger Price.

"Trigger Price" means the price you require a specified Financial Product to trade at before a Contingent Order is Triggered for processing.

"you or your" means each person or entity (being a client of amscot) who places a Contingent Order and their Authorised Agents

1. THE (STOP/LOSS) CONTINGENT ORDER SERVICE

We offer the Contingent Order Service to you under State One Stockbroking Ltd's Australian Financial Services License (number 247100).

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

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 through **amscot's dealing desk** you agree:

- a. to be bound by ASIC's Market Integrity Rules and the terms and conditions as outlined in the Client Agreement;
- b. that you understand and accept the risks associated with placing Contingent Orders;
- c. that you will place contingent orders with us in accordance with the Instructions;
- d. that you have read, and understood, the information provided in the Contingent Order Disclosure Statement;
- e. that a Contingent Order must nominate:
 - i. a Financial Product code;
 - ii. a Trigger Price, being At Limit Price – we will not accept an "At Market" limit; and
 - iii. the number of units to be traded.
- f. that a Contingent Order accepted by us is valid until cancelled or triggered. When a corporate action is declared in respect of a Financial Product which is the subject of an Open Contingent Order, that Contingent Order will be automatically cancelled;
- g. that the Trigger Price is satisfied when at least one unit of the relevant Financial Product trades at the ASX at the At Limit Price specified by you;
- h. that 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. that where we receive multiple Contingent Orders from more than one client having the same Code and Trigger Price the orders may not be vetted and processed in same time order as their receipt. In such circumstances we accept no responsibility for the selection sequence. It is your responsibility to ensure the Contingent Order you place will achieve your intended outcome.

- j. that you understand that different outcomes from a Contingent Order may be achieved according to whether or not the order is subject to a limited Contingent Time, to exclude the opening and closing matching phases of the Market.

2. AMENDING AND CANCELLATION OF CONTINGENT ORDERS

You may amend or cancel an Open Contingent Order via **amscot's dealing desk**. 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 to 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 **amscot phone** 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 ASIC's Market Integrity 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. 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 giving the correct Contingent Orders to the dealer on amscot's dealing desk.
 - 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. 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 our Contingent Orders Service you acknowledge that:
- i. amscot 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 amscot instructions to create a contingent order and
 - iv. amscot recommends you seek appropriate professional advice before using the Contingent Order Service.

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's dealing desk** to find sufficient counterparty volume to sell or buy stock at the specified Contingent Order 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.

7. AMSCOT CLIENT AGREEMENT

- a. State One may terminate Your Account at any time and without prior notice, subject to all outstanding obligations being fully discharged.
- b. 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.
- c. 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.
- d. 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 ASX Operating Rule 7.9.1(b). 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.
- e. You agree to abide by ASX Operating Rule, 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.
