

Form 604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme AuMake International Limited

ACN/ARSN 150 110 017

1. Details of substantial holder (1)

Name Mr Gang Xu

ACN/ARSN (if applicable) Not applicable

There was a change in the interests of the substantial holder on 05/10/2017
The previous notice was given to the 11/10/2017
The previous notice was dated 05/10/2017

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
ORDINARY	17,097,572	7.15%	36,597,572	15.297%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
05/10/2017	Mr Gang Xu	Mr Gang Xu has a relevant interest in the securities referred to in Section 2 above by virtue of section 608(1) of the <i>Corporations Act</i> , as extended by section 608(2). The interest arises under the terms of an authority to act granted to the substantial holder under a Share Trading Account held with Morgans Financial Limited by the persons specified in Annexure A (Investors), the terms and conditions which are attached as Annexure B (the terms are the same for all Investors).	Nil	19,500,000 ordinary shares	19,500,000

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Not applicable	

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Mr Gang Xu	Unit 159, 311 Hay Street East Perth WA 6004
See also Annexure A	

Signature

print name Gang Xu

sign here



date

11 December 2017

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure A

This is Annexure A of one page (referred to in Form 604, Notice of change of interests of substantial holder, given by Mr Gang Xu).

Dated: 11 December 2017

Signed:



Name: Gang Xu

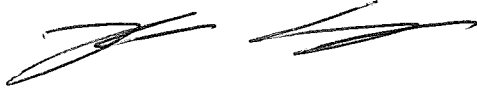
Name of Investor	Address of Investor	Number of Shares held by Investor
Mr Jie Chen	6996 Cypress Street Vancouver BC V6P 5M1 CANADA	6,300,000
Ms Yun Zhang	Flat 1 6F Tower 15 Jintang Residential Quarter Suzhou Jiangsu Province 215007 China	1,400,000
Ms Xuefen Sheng	Unit 5-202 No 79 Beijing West Rd Nanjing 210013 China	5,500,000
Anshang Industry (HongKong) Co Limited	Unit 4 7/F Bright Way Tower N033 Mong Kok Road Kowloon Hong Kong	400,000
New Age Group Co Limited	Room 701 8F Wasting House 84 Jervois Street Shengwan Hong Kong	5,900,000

Annexure B

This is Annexure B of 49 pages (referred to in Form 604, Notice of change of interests of substantial holder, given by Mr Gang Xu).

Dated: 11 December 2017

Signed:

A handwritten signature in black ink, consisting of several overlapping, fluid strokes that form a stylized representation of the name 'Gang Xu'.

Name: Gang Xu



Share Account Application

Office/Adviser use only

Client name

Account number

Adviser

Date

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Account Types

If you have any questions in relation to the completion of this form please ask your adviser for assistance.

Note: You will need to complete a separate application form for each different account type. Refer to the following table for which section to complete for the different types of accounts.

Select one	Account type	Sections to complete	Identification required – not fully inclusive	Acceptable Account Examples
<input type="checkbox"/>	Individual	Section 1.1, Section 2, Section 3 if personal advice required, Section 4	Driver's Licence, Passport, Birth Certificate, Pension Card, Citizenship Certificate	Mr John Richard Jones
<input type="checkbox"/>	Joint	Sections 1.1 – 1.4, Section 2, Section 3 if personal advice required, Section 4	As above	Mr John Richard Jones & Mrs Jean Mary Jones
<input type="checkbox"/>	Minor (under 18 years of age)	Sections 1.1, 1.2, Section 2, Section 3 if personal advice required, Section 4	As above, for responsible adult	Mr John Richard Jones <Jeffrey Jones a/c>
<input type="checkbox"/>	Deceased Estate	Sections 1.1, 1.2, Section 2, Section 3 if personal advice required, Section 4	Executor ID and Certified copy of Grant of Probate (including will)	Mr John Richard Jones & Mrs Jean Mary Jones <EST James Frank a/c>
<input type="checkbox"/>	Company	Sections 1.1 – 1.5, Section 2, Section 3 if personal advice required, Section 4	Verification of full company name, ACN/ABN and certified ID for all Directors and those who hold 25% or more of the company	Jones Holdings Pty Ltd
<input type="checkbox"/>	Superannuation Fund	Sections 1.1 – 1.4, Section 1.5 if company is trustee, Section 1.6, Section 2, Section 3 if personal advice required, Section 4	Original/Certified copy of the Trust Deed and ID of all the Trustees and Beneficial Owners who have 25% or more interest	Mr John Richard Jones & Mrs Jean Mary Jones <Jones Super Fund a/c or Jones Holdings Pty Ltd <Jones Super Fund a/c>
<input type="checkbox"/>	Trust	Sections 1.1 – 1.4, Section 1.5 if company is trustee, Section 1.6, Section 2, Section 3 if personal advice required, Section 4	Original/Certified copy of the trust deed or extract confirming details of Trust and Trustees and verified ID of all the Trustees, ID for Beneficial Owners who have 25% or more interest	Mr John Richard Jones & Mrs Jean Mary Jones <Jones Family Fund a/c> or Jones Holdings Pty Ltd <Jones Family a/c>
<input type="checkbox"/>	Partnership	Sections 1.1 – 1.5, Section 2, Section 3 if personal advice required, Section 4	ID for all the Partners and Beneficial owners who have a 25% or more interest	Mr John Richard Jones & Mrs Jean Mary Jones <Jones & Son a/c>
<input type="checkbox"/>	Government/charitable body	Sections 1.1 – 1.5, Section 2, Section 3 if personal advice required, Section 4	Constitution, Certificate of Incorporation and list of Office Bearers and Signatories	The Cancer Council

Note: Refer to separate Share Account Terms and Conditions (latest copy available at www.morgans.com.au), for full details of account names, required signing authorities and Anti Money Laundering (AML) and Counter Terrorism Financing (CTF) Identification requirements. Extra details may be required for overseas clients, entities and Politically Exposed Persons (PEPs).

Basic Account Information

1

1.1 Client details – Applicant 1

Primary Contact

Individual 1 Director 1 Trustee 1 Officer 1

Title _____ Given Names _____ Surname _____

Preferred Name/Greeting (if different to given name) _____ Date of Birth (DD MM YYYY) _____ Gender Male Female

Are you a Politically Exposed Person? (Refer Section 5 of the Terms & Conditions Booklet) Yes No

If yes, please select one of the following: Australian PEP Foreign PEP International Organisation PEP

Postal Address

Street/PO Box _____

Suburb/Town/City _____ State _____ Postcode _____ Country _____

Residential Address Same as: Postal Address

Street _____

Suburb/Town/City _____ State _____ Postcode _____ Country _____

Additional Information

Home phone _____ Business phone _____ Mobile _____ Facsimile _____

Email _____

Occupation _____ Work status (eg full time) _____ Employer _____

1.2 Account designation (if applicable)

Refer to the table on page 1 for acceptable account examples.

Account Designation (24 characters max)

< _____ /C>

Office/Adviser use only

Identification Provided Driver's licence Passport Birth Certificate Other _____
(ID must include recent certified photo, confirmation of DOB and current residential address. Refer to Share Account Terms and Conditions)

Reference _____

Basic Account Information

1

1.3 Client details – Applicant 2

 Primary Contact Individual 2 Director 2 Trustee 2 Officer 2

Title _____ Given Names _____ Surname _____

Preferred Name/Greeting (if different to given name) _____ Date of Birth (DD MM YYYY) _____ Gender Male Female

Are you a Politically Exposed Person? (Refer Section 5 of the Terms & Conditions Booklet) Yes No

If yes, please select one of the following: Australian PEP Foreign PEP International Organisation PEP

Postal Address Same as: Applicant 1

Street/PO Box _____

Suburb/Town/City _____ State _____ Postcode _____ Country _____

Residential Address Same as: Postal Address Applicant 1

Street _____

Suburb/Town/City _____ State _____ Postcode _____ Country _____

Additional Information Same as: Applicant 1 (unless specified below)

Home phone _____ Business phone _____ Mobile _____ Facsimile _____

Email _____

Occupation _____ Work status (eg full time) _____ Employer _____

Office/Adviser use only

Identification Provided Driver's licence Passport Birth Certificate Other _____
(ID must include recent certified photo, confirmation of DOB and current residential address. Refer to Share Account Terms and Conditions)

Reference _____

Basic Account Information

1

1.4 Client details – Applicant 3

Primary Contact

Individual 3 Director 3 Trustee 3 Officer 3

Title _____ Given Names _____ Surname _____

Preferred Name/Greeting (if different to given name) _____ Date of Birth (DD MM YYYY) _____ Gender Male Female

Are you a Politically Exposed Person? (Refer Section 5 of the Terms & Conditions Booklet) Yes No

If yes, please select one of the following: Australian PEP Foreign PEP International Organisation PEP

Postal Address Same as: Applicant 1 Applicant 2

Street/PO Box _____

Suburb/Town/City _____ State _____ Postcode _____ Country _____

Residential Address Same as: Postal Address Applicant 1 Applicant 2

Street _____

Suburb/Town/City _____ State _____ Postcode _____ Country _____

Additional Information Same as: Applicant 1 Applicant 2 (unless specified below)

Home phone _____ Business phone _____ Mobile _____ Facsimile _____

Email _____

Occupation _____ Work status (eg full time) _____ Employer _____

Office/Adviser use only

Identification Provided Driver's licence Passport Birth Certificate Other: _____
 (ID must include recent certified photo, confirmation of DOB and current residential address. Refer to Share Account Terms and Conditions)

Reference _____

Basic Account Information

1.5 Incorporated or other entities (If applicable)

Name of Company / Association / Registered Co-operative / Government Body

Is the company

 Private? Public (proprietary)? Partnership? Association or Registered Co-operative? Government Body? Foreign? (refer adviser)

ABN/ACN

Full address of registered office Same as Director 1 Director 2 Director 3Street Postal Address or Residential Address

Suburb/Town/City State Postcode Country

Full address of principal place of business Same as Director 1 Director 2 Director 3Street Postal Address or Residential Address

Suburb/Town/City State Postcode Country

Full name, address and relevant ID of each Beneficial Owner if different to Directors (Beneficial Owner is anyone who owns and/or controls 25% or more of the shareholding)

Given Names Surname Date of Birth (DD MM YYYY)

Address

Are you a Politically Exposed Person? (Refer Section 5 of the Terms & Conditions Booklet) Yes No If yes, please select one of the following: Australian PEP Foreign PEP International Organisation PEP

Given Names Surname Date of Birth (DD MM YYYY)

Address

Are you a Politically Exposed Person? (Refer Section 5 of the Terms & Conditions Booklet) Yes No If yes, please select one of the following: Australian PEP Foreign PEP International Organisation PEP

Office/Adviser use only

 Copy of Trust Deed Provided Super Fund Investment Strategy requested

Basic Account Information

1

1.6 Trust/Super Fund details

Type: Superannuation Fund Family Trust Unit Trust Other

Trustees: Applicant 1 Applicant 2 Applicant 3 Company

Full name of Trust / Super fund

Full business name (if any) of the Trustee

Full name, address and relevant ID of each Beneficial Owner if different to Directors (Beneficial Owner is anyone who owns and/or controls 25% or more of the shareholding)

Given Names Surname Date of Birth (DD MM YYYY)

Address

Are you a Politically Exposed Person? (Refer Section 5 of the Terms & Conditions Booklet) Yes No

If yes, please select one of the following: Australian PEP Foreign PEP International Organisation PEP

Given Names Surname Date of Birth (DD MM YYYY)

Address

Are you a Politically Exposed Person? (Refer Section 5 of the Terms & Conditions Booklet) Yes No

If yes, please select one of the following: Australian PEP Foreign PEP International Organisation PEP

1.7 Account setup details

Office/Adviser use only

Account Designation (if applicable, refer to page 1 for acceptable account examples – 24 characters max)

< A/C >

Registration Address Same as Applicant 1 Applicant 2 Applicant 3 Company

(If PO Box, complete Street Address below)

Street/PO Box Postal Address or Residential Address

Suburb/Town/City State Postcode Country

Street Address (Not a PO Box) Same as Applicant 1 Applicant 2 Applicant 3 Company

Street Postal Address or Residential Address

Suburb/Town/City State Postcode Country

Level of Advice

2

2.1 Advice type

The level of information we require from you depends on the level of service you are seeking. Please indicate the level of advice you require.

Personal Advice

I/We wish my/our personal circumstances and objectives to be considered in the advice provided by my/our adviser and agree to provide the required information in Section 3.

General Advice

I/We only wish to receive general advice about investments and the markets. I/We will determine for myself/ourselves if these investments are suitable for me/us. Skip to Section 4.

Execution Only

I/We do not wish to receive any advice. I/We require an execution only service. Skip to Section 4.

Detailed Account Information

3

Complete this section with your adviser if you require Personal Advice

Your Morgans adviser needs to understand the level of service you are seeking, your investment objectives, financial situation and particular needs to give you appropriate financial advice. By completing this section, we understand that you are potentially seeking advice on a range of investment products including equities, income products (e.g. term deposits, cash management trusts, unsecured notes, bonds) and hybrid securities (debt and equity). To assist you and your adviser in determining your investment objectives and investment risk tolerance, please answer the following questions to the best of your ability.

Please note: Should you decide not to answer all or some of the questions, you need to be aware that your adviser's recommendations and obligations will be limited accordingly and advice may be based on the investment alone rather than taking into account your personal circumstances. In this instance, it will be up to you to determine the appropriateness of any advice before making an investment decision. It is important that you keep your Morgans adviser informed of any material change to your financial or personal situation.

3.1 Describe in your own words your goals and objectives for this account

Detailed Account Information

3

3.2 Your investment experience

How long have you been investing?

	Applicant 1	Applicant 2	Applicant 3
This is my first investment experience	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Up to 3 years	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 years or more	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What level of experience do you have with these products?

	Applicant 1			Applicant 2			Applicant 3		
	Nil	Moderate	Extensive	Nil	Moderate	Extensive	Nil	Moderate	Extensive
Listed Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hybrid Equities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fixed Interest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Warrants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3.3 Retirement status

Applicant 1	Applicant 2	Applicant 3
Retired	Retired	Retired
Plan to retire	Plan to retire	Plan to retire
Age <input type="text"/> or <input type="text"/>	Age <input type="text"/> or <input type="text"/>	Age <input type="text"/> or <input type="text"/>

3.4 Investment timeframes for this account

Please note you should carefully consider your investment alternatives and objectives in the context of your time horizon.

How long would you invest the majority of your money before you think you would need access to it?
(Assuming you already have plans in place to meet short term cashflow and/or emergencies)

- In 2 years or less (Note If your timeframe is less than 18 months, then stock market investments may not be appropriate and you should consider restricting your investments to interest rate products alone.)
- Within 2 - 5 years
- > 5 years

3.5 Your reliance on equities and/or fixed interest investment income

	Applicant 1	Applicant 2	Applicant 3
Entirely	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Substantially	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Partially	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Not at all	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Detailed Account Information

3.10 Important information about investment risks

Your attitude to risk for this account

There is a direct relationship between risk and investment return. Generally the higher the return you require, the higher risk you need to assume and therefore a greater chance your investments will not return/grow as you anticipated.

Equities Investment Risks

1. **Market risk** – The price of all equities can fluctuate for a variety of reasons, not all of which are logical or predictable. There can be periods where the prices of securities go beyond the underlying fundamentals, both above and beyond a “fair value”. This is particularly so in the short term.
2. **Economic cycle risk** – There are times where the economy (internationally or domestically) is growing faster than normal, slowing down, or stagnating. Some companies are tied to these cycles (cyclical stocks), while others have the ability to grow independently of the economy cycle (growth stocks).
3. **Timing risk** – This is the risk of buying and selling investments at the wrong time, particularly when there is a major change in investing conditions and markets. Timing risk is greater when you have a shorter time frame, and market conditions may not always coincide with your investment needs.
4. **Sector specific risk** – Each industry sector has unique features in terms of the exposure to the economic cycle, input material prices, competition, new technology, capital requirements, currency moves, government regulation, etc. This can make each sector more or less attractive at different stages of market and economic conditions.
5. **Company specific risk** – There are many factors that influence the performance of a company within an overall market and sector. These include management quality, competition in their field, their level of debt, business mix, location, etc. This can lead to much higher or lower risk and return than other similar companies.
6. **Liquidity risk** – This is a risk of not being able to sell your investments at a time and price of your choosing. Smaller stocks may not have the consistent trade volume to enable to transact easily, and this may not coincide with your specific capital needs.
7. **Speculative share risk** – speculative companies are new or start-up companies that do not have a history of profitability, or are engaged in new ventures where success cannot be guaranteed. They typically consume capital and may often seek additional capital from their shareholders or the broader market. If they are successful they can deliver very high returns, but their risk of failure and capital loss is much higher than more established companies.

Fixed Interest Investment Risks

Fixed interest is the common name applied to an asset class of securities which focus on income and includes investment types such as term deposits, bonds, preference shares, hybrid securities and debt securities. Despite the name “fixed” interest, this asset class can have income returns which change with market conditions.

1. **Unique features** – This is the risk of not understanding the different types of fixed interest investments - no two fixed interest products are the same. Be very careful that you understand all of the features of each fixed income product.
2. **Credit risk** – This is the risk that the underlying company issuing the income security may fail to meet income payments, or return capital to the investor in accordance with the agreed terms and conditions. The investment return required from a security issuer should recognise the risks involved in investing in them.
3. **Interest rates** – This is the risk that rising or falling interest rates may impact your fixed interest investments. Holding fixed interest investments may result in negative returns when interest rates are rising and the income is insufficient to offset capital losses.
4. **Duration risk** – This is the risk that the investment timeframe does not match your personal timeframe. Some securities have specific end dates, while others may have no end date (perpetual securities) – this can have an impact on the market price of the security.
5. **Liquidity risk** – if a market is illiquid it will be very difficult to buy or sell the security without adjusting the capital price paid or received for the security significantly, creating a wide bid-offer spread.

Detailed Account Information

3.11 Your investment objectives

Which of the following categories do you consider to be the most relevant to your needs and objectives?

Please indicate your preferred investment objective/risk weightings for this account. Ensure total equals 100%.

IMPORTANT: The investment objectives you choose need to be in line with the risk that you are prepared to accept. Please consult with your adviser to make sure they are appropriate for you.

Investment / Risk Profile	Weighting %
<p>Capital Preservation</p> <p>In order to protect my capital value, I accept a lower return on my portfolio. I require an ongoing, low risk income stream and understand that the after tax returns may be low and may not keep pace with inflation. My portfolio is unlikely to include many listed equities.</p>	<input type="text"/>
<p>Income – below average appetite for capital risk</p> <p>I mainly want to receive income from my share portfolio and would like a higher income return than offered by cash and term deposits. I want to use fixed interest securities and shares to boost the income return of my portfolio and I accept that they increase the capital risk in order to do so. My portfolio is likely to include fixed income products, hybrid equities and equities in market leaders with a record of paying regular, reliable dividends.</p>	<input type="text"/>
<p>Income and Growth – medium risk appetite</p> <p>I want both income and growth. I understand that growth assets will always form part of the portfolio, and I am prepared to accept some capital risk. I am looking for a diversified portfolio of both equities and fixed interest investments.</p>	<input type="text"/>
<p>Growth – above average risk appetite</p> <p>I want to grow the value of my portfolio over the medium and long term, and am willing to take on additional investment risk to do so. I understand returns in the short-term may be volatile. My portfolio will have a stronger skew to growth investments looking for higher capital growth.</p>	<input type="text"/>
<p>High Growth – high risk appetite</p> <p>I want better than market growth, and am prepared to take on greater investment risk and return in order to achieve this. I am prepared to sacrifice portfolio balance to achieve this and understand my portfolio may include less liquid small stocks, cyclical stocks and stocks that have had volatile historical returns. Security of capital is secondary to the potential for wealth creation.</p>	<input type="text"/>
<p>Short Term Trading – very high risk appetite with a short-term view</p> <p>I want to invest for the short-term in order to make capital gains on undervalued opportunities or market movements. I expect to buy and sell more frequently than longer term investors, and am willing to take on increased capital and timing risk to do so.</p>	<input type="text"/>
<p>Speculation – extremely high risk appetite</p> <p>I want to invest in speculative companies that have little track record or profitability, for the purpose of making significant potential capital gains. I understand investing in these products may pose a high risk to my investment capital. Investments may also include the use of warrants and other listed derivatives.</p>	<input type="text"/>
<p>Leverage – varying levels of risk depending on purpose and instrument. Generally higher risk</p> <p>Leverage provides the potential to make higher returns from a smaller initial outlay. Leverage significantly increases risk. Leverage instruments include options, warrants or margin lending facilities. Only suitable for experienced investors who fully understand the risks, rewards and obligations attached to particular leverage instruments</p>	<input type="text"/>
Total	100%

Detailed Account Information

3.12 Your particular investment preferences (Optional)

Some sectors and companies have different risk and reward profiles. These may hold special interest for some investors, while others may wish to avoid them. Please indicate your preferences below.

Note: Only select the boxes below if you have a special interest or wish to avoid any of the following investments.

Investment	Special interest	or	Wish to avoid	Comment
Sectors				
Mining and Energy	<input type="checkbox"/>		<input type="checkbox"/>	
Communication and Technology	<input type="checkbox"/>		<input type="checkbox"/>	
Health and Biotechnology	<input type="checkbox"/>		<input type="checkbox"/>	
Gambling, alcohol and tobacco	<input type="checkbox"/>		<input type="checkbox"/>	
Listed Property Trusts	<input type="checkbox"/>		<input type="checkbox"/>	
Company Type				
Smaller Companies – with track record and profitability	<input type="checkbox"/>		<input type="checkbox"/>	
Speculative Companies – no track record and profitability	<input type="checkbox"/>		<input type="checkbox"/>	
New Listings (Floats)				
Profitable established companies	<input type="checkbox"/>		<input type="checkbox"/>	
Developing, not yet profitable companies	<input type="checkbox"/>		<input type="checkbox"/>	
Fixed Interest				
Preference Shares	<input type="checkbox"/>		<input type="checkbox"/>	
Hybrid Securities	<input type="checkbox"/>		<input type="checkbox"/>	
Debt Securities	<input type="checkbox"/>		<input type="checkbox"/>	
Listed Government Bonds	<input type="checkbox"/>		<input type="checkbox"/>	
Derivatives (requires separate agreement)				
Options	<input type="checkbox"/>		<input type="checkbox"/>	
Warrants	<input type="checkbox"/>		<input type="checkbox"/>	

3.13 Your other preferences/notes

Office/Adviser use only

Based on the personal details provided, do you believe this client meets the criteria to become a Sophisticated Investor?

If so, discuss with clients and provide relevant details and application form. Yes No

Dealing with Morgans

There are a range of details and preferences we need to collect in order to set-up and operate your account and provide the type of service that meets your specific requirements.

4.1 Trade settlement (buys and sells)

- Trade settlement via a Cash Management Account (CMA) is recommended. Your adviser will be able to provide you with a list of CMA providers. Please complete and give the relevant section of your chosen provider's application form and return together with this application.

Note: Should alternate Settlement arrangements be required, please refer to Page 23 and complete the appropriate bank account details.

4.2 Trade confirmations (Contract Notes)

Unless otherwise advised, we will send you trade confirmations and any applicable monthly statements electronically. (Please see Terms and Conditions).

Send contract notes to email address of: Applicant 1 Applicant 2 Applicant 3

Send additional contract notes to the following email address

- Hard copy only (Address as per Primary Contact)

Third Party Confirmation

Under ASIC Rules, please note that you cannot request your trade confirmation be delivered to a third party only, however a third party can be provided with a copy of your trade confirmation. If you would like this to occur, please provide the relevant email address below.

Additional email address for trade confirmations e.g. Accountant

Dealing with Morgans

4.3 Contact preferences

How do you prefer to be contacted by your adviser?

- Email
 Mobile
 Home Phone
 In person
 Not at all

Trading and Portfolio Reports

If you would like to be emailed regular reports, please indicate below the desired report and frequency from the available options below:

- Outstanding Orders Daily Weekly
 Statement of Account Weekly Monthly
 CHESS Portfolio Holdings Weekly Monthly

Note: Reports will be sent to the email address of the nominated Primary Contact for this account.

Web Access and Subscriptions

Client Website/Mobile login (provides access to your Portfolios, Research, Watchlists, Contract Notes etc via website or smartphone app)

Note: If you already have a web login and you wish to view this account, please provide username/s below.

Email address to be used for web login username.

- Same as: Applicant 1 OR Nominate email for Applicant 1
 Same as: Applicant 2 OR Nominate email for Applicant 2
 Same as: Applicant 3 OR Nominate email for Applicant 3

[Redacted area for web login username and email nomination]

Research Subscriptions

- Monthly Research**
Equities focused product which includes updated economic views and investment strategy as well as company updates. Also includes our current high conviction stock picks.
- Quarterly Research**
Outlines our current views on the stock market and key investment thematic as well as domestic and international economic commentary. Analysts also provide updated sector commentary and preferred stock picks.
- Bi-annual Research**
A financial planning based publication designed to educate and update clients on the current thematic.
- Special Bulletins**
Company, Sector or market related reports produced from time to time.

	Applicant 1 email	Applicant 2 email	Applicant 3 email	Hard copy
Monthly Research	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quarterly Research	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bi-annual Research	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Bulletins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dealing with Morgans

4.4 Authorise another person to operate this account

If you wish to authorise somebody else (eg spouse, accountant, Power of Attorney, financial planner, etc) to act on your account, please complete this section of the document. This Authority may only be revoked by written notice from the Client to Morgans and will take effect at the commencement of the business day following the date of receipt of the notice of revocation by Morgans (See Share Account Terms and Conditions for further details). Relevant ID is also required in accordance with Morgans AML/CTF requirements.

Full name of authorised person		Relationship
Organisation (if applicable)		
Address (PO Box not to be used)		
Home phone	Work phone	Mobile
Email	Date of birth	
<input type="checkbox"/> Please tick if you would like the authorised person to receive a copy of your trade confirmations		
Is this person a Politically Exposed Person? (Refer Section 5 of the Terms & Conditions Booklet) Yes <input type="checkbox"/> No <input type="checkbox"/>		
If yes, please select one of the following: Australian PEP <input type="checkbox"/> Foreign PEP <input type="checkbox"/> International Organisation PEP <input type="checkbox"/>		

4.5 Other related contacts

Occasionally, you may require your adviser to contact other parties in relation to your account (eg. Accountant) – if so, please provide details below (we will not contact them without your prior consent).

Name	Role/relationship	
Organisation	Telephone	Mobile
Address (PO Box not to be used)		
Email		

Name	Role/relationship	
Organisation	Telephone	Mobile
Address (PO Box not to be used)		
Email		

Office/Adviser use only – Authorised Person Identification

Identification Provided Driver's licence Passport Birth Certificate Other
 (ID must include recent certified photo, confirmation of DOB and current residential address. Refer to Share Account Terms and Conditions)

Reference

4.6 Tax File Number | Australian Business Number

Morgans advise that we are authorised to collect TFNs for the purposes of registration of your current and new CHESS Sponsored holdings in accordance with either or all of the Taxation Administration Act 1953 (TAA), the Tax File Number Guidelines 2011 (TFN Guidelines), Superannuation Industry (Supervision) Act 1993 (SIS Act) and the Privacy Act 1988 (Privacy Act). Morgans will record the information and destroy the notice in compliance with privacy regulations and tax laws. Your TFN will be electronically provided to the share registries of the ASX CHESS sponsored investments you purchase.

It is not an offence to withhold your TFN or, where the securities are held for a business purpose, your ABN. However, if you do not provide your TFN or ABN, withholding tax may be deducted from payments of interest and the unfranked portion or dividends at the highest marginal tax rate.

Are you an Australian resident for tax purposes?

Yes

If no, please state country of residence for tax purposes

No*

Applicant 1

Name

TFN or Exemption

TFN - -

Applicant 2

Name

TFN - -

Applicant 3

Name

TFN - -

Legal entities

Company Trust Partnership Superannuation

Name

TFN

ABN/ACN

* Note: If you are not a resident of Australia for tax purposes, it is a shareholder's responsibility to notify in writing, the relevant share registries of your country of residence.

Office/Adviser use only

Morgans account number

Date

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Dealing with Morgans

4.7 Signing and acknowledgement

Level of Service

By signing below I/We acknowledge and agree (select one as appropriate):

Personal Advice Profile – the information provided in Sections 2 and 3 is an accurate representation of my/our financial position and requirements at this time. I/We have considered and taken into account the investment risks outlined in Section 3.10. I/We also acknowledge that any investment recommendations provided by my/our adviser will be based on the information contained therein. If any of the relevant information provided changes, I/we are obliged to notify Morgans and/or our adviser as soon as possible. Any failure by me/us to provide updated information to Morgans and/or our adviser may result in advice being provided that may no longer be suitable to current personal circumstances.

or

General Advice/Execution Only – that my/our adviser has asked about my/our personal circumstances, goals and objectives and I/we have chosen not to provide this detailed information. I/We will make my/our own investment decisions and understand that my/our adviser will not provide advice tailored to my/our personal circumstances.

Execution of Agreement

I/We have been provided with, and agree to be bound by the following (latest version available at www.morgans.com.au under Terms and Conditions):

- Financial Services Guide
- Share Account Terms and Conditions
- Morgans Privacy Policy
- Anti-Money Laundering and Counter Terrorism Financing Terms

I/We have provided identification as per the requirements of the Anti-Money Laundering and Counter Terrorism Financing terms (refer to the Morgans Share Account Terms and Conditions).

Privacy Consent – I/we consent to the use or the disclosure of our personal information only in the manner indicated in the Privacy Policy (Please see Morgans Share Account Terms and Conditions).
Please note, that by withholding consent Morgans will not be able to provide you with the requested account, facility or investment product.

Please note that you can withdraw your consent at any time in the future, without any charge, by contacting us.

Individual 1 Director 1 Trustee 1

Name

Signature

Date

Individual 2 Director 2 Trustee 2

Name

Signature

Date

Individual 3 Director 3 Trustee 3

Name

Signature

Date

Office/Adviser use only

As adviser, I confirm that

- I have requested the information detailed in this document
- Personal Advice – I have requested the relevant information from the client and made best endeavours to confirm the clients understanding.
- If appropriate, I have issued a warning to the client that the advice to be provided is general advice at best, as personal information has not been provided by the client.
- I confirm that this account is to be conducted on an execution only/nil advice basis
- One Off Trade only

Signed

Adviser name

Branch

Date

Adviser number

Brokerage rate

This page has been left blank intentionally

Dealing with Morgans

4.8 CHESS Sponsorship

Between

Morgans Financial Limited ABN 49 010 669 726 AFSL 235410 ("Participant") GPO Box 202, Brisbane QLD 4001
 A Participant of ASX Group. A Professional Partner of the Financial Planning Association of Australia.
 A Participant Member of NXSA

and

Client Details

Title Given names Surname

Title Given names Surname

Title Given names Surname

Company name

Designation (if applicable, refer to acceptable account examples on page 1)

Registration Address

Street/PO Box

Suburb/Town/City State Postcode Country

Morgans CHESS Sponsorship

I/we instruct Morgans to act as our CHESS sponsoring broker. By doing so I/we acknowledge that I/we have been provided with, and agree to be bound by the CHESS Broker Sponsorship Terms in the Share Account Terms and Conditions.

New CHESS Sponsorship

Transfer CHESS Sponsorship from another broker (Please complete Section A, on reverse)

Transfer of holdings ONLY from another broker (Please complete Section B on reverse)

Convert Issuer Sponsored Holdings (Please complete Section C on reverse)

Individual 1 Director 1 Trustee 1 Individual 2 Director 2 Trustee 2 Individual 3 Director 3 Trustee 3

Signature Signature Signature

Date Date Date

Morgans confirms its agreement to the Share Account Terms and Conditions and the execution of the CHESS Sponsorship Agreement by allocating a Holder Identification Number (HIN) to the applicant(s). If you would like a copy of your CHESS Sponsorship Agreement, please contact your adviser.

Office/Adviser use only

Account number HIN

Date of Execution Authorised Morgans Officer

4.8 CHESS Sponsorship – transfer your holdings

Note: Registration details at your existing participant must be identical to your Morgans registration details. If they are not the same please discuss this with your adviser.

Section A

Transfer all of my/our CHESS shareholding(s) and Holder Identification Number (HIN) from another broker.

Name of current sponsoring broker HIN details with other broker
 X

Existing account name

Section B

Transfer the CHESS shareholding(s) listed below from my current sponsoring broker.

Name of current sponsoring broker HIN details with other broker
 X

Existing account name

Copies of statements provided Or Listed below Or All Holdings

Company Name	ASX Code	Quantity

Section C

Issuer sponsored holdings

Convert the below issuer sponsored holdings to my Morgans CHESS sponsorship.

Copies of statements provided Or Listed below

Company Name	ASX Code	Quantity	SRN

Dealing with Morgans

4.9 Banking details

Cash Management Account

CMA Provider

I/We will be using a Cash Management Account (CMA) (Skip to Section 4.10)

Morgans Account Name

Direct Credit

I/We authorise Morgans to **credit** the bank account specified below any monies due relating to the settlement (sale) of securities transactions.

Bank account name as shown on your bank statement (please do not use credit card number)

Name of Australian bank or financial institution

BSB number

Account number

Direct Debit

I/We authorise Morgans to **debit** the bank account specified below any monies due relating to the settlement (purchase) of securities transactions. Direct Debit will be processed the business day prior to the settlement date. (Please refer to Shares Account Terms and Conditions for further information).

Please insert bank details below if they differ from your direct credit instruction.

Bank account name as shown on your bank statement (please do not use credit card number)

Name of Australian bank or financial institution

BSB number

Account number

This direct debit arrangement is governed by the terms of the Direct Debit Service Agreement provided to me/us by Morgans Financial Limited – Debit User Number 216859. The authority commencement date is the date of signing. The amount and frequency of the drawings will vary to coincide with dealings with Morgans Financial Limited. Please ensure cleared funds are available in the account upon settlement and that the Bank Account provided allows direct debit.

4.10 Dividends/income payments for Morgans CHESS Sponsored Holdings

I/We authorise Morgans Financial Limited to provide my/our bank details above or our CMA details via the CHESS system to the relevant Issuers' share registries for **dividend payments** applicable to stock held under our Holder Identification Number (HIN). Details provided on this form will override any previous instructions and will be applied to all current and future stock sponsored by Morgans in CHESS.

Please use CMA Direct Credit Account Direct Debit Account Other (complete separate form)

Please note

- Completion of this form cannot be used to change your participation in an existing Dividend Reinvestment Plan (DRP).
- This authorisation must be signed by each named Morgans account holder(s) and by each account holder(s) with the financial institution for your instructions to be executed.

Individual 1 Director 1 Trustee 1

Name

Signature

Date

Individual 2 Director 2 Trustee 2

Name

Signature

Date

Individual 3 Director 3 Trustee 3

Name

Signature

Date

Office/Adviser use only

Morgans account number

Date

Morgans Financial Limited

ABN 49 010 669 726 AFSL 235410

A Participant of ASX Group | A Professional Partner
of the Financial Planning Association of Australia

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v3.0 11/17

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Gladstone +61 7 4972 8000

Gold Coast +61 7 5581 5777

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Kedron +61 7 3350 9000

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Milton +61 7 3114 8600

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Gosford +61 2 4325 0884

Hurstville +61 2 9570 5755

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Traralgon +61 3 5176 6055

Warrnambool +61 3 5559 1500

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Northern Territory

Darwin +61 8 8981 9555

Tasmania

Hobart +61 3 6236 9000

Western AustraliaWest Perth +61 8 6160 8700
Stockbroking, Corporate Advice, Wealth Management

Perth +61 8 6462 1999

South Australia

Adelaide +61 8 8464 5000

Norwood +61 8 8461 2800

010717

www.morgans.com.au

Personal Information held by Morgans Financial Limited may have been used to enable you to receive this communication. If you do not wish your personal information to be used for this purpose in the future please contact us, either at your local Branch or to GPO Box 202 Brisbane Qld 4001. Our privacy policy is available online at www.morgans.com.au

Share Account Terms and Conditions

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Terms and Conditions

Please refer to our website www.morgans.com.au for the most up to date version of our Terms and Conditions.

Morgans Terms and Conditions

1 These terms and conditions

1.1 Prior to us agreeing to open this Account in your name, you acknowledge that you have read, understood and accepted these terms and conditions and you have made or will make inquiry of us if there is any aspect of these terms and conditions you do not understand.

1.2 You acknowledge and accept that:

- a these terms and conditions, as varied from time to time, govern dealings between us including advisory services, provision of a Financial Product or Financial Service between you and Morgans
- b these terms and conditions must be read in conjunction with any other terms and conditions provided to you in respect of any Particular Service and to the extent there is any inconsistency the terms of the Particular Service shall prevail, and
- c this agreement does not limit the ability of Morgans to develop, change or adapt internal policies or procedures including those which govern the delivery and procurement of Financial Products or Services.

2 Your application

2.1 You represent and warrant:

- a that all information provided by you in the Application Form or as notified to us from time to time is appropriate and correct and is not misleading and you agree that we may rely on that information, to make informed investment recommendations
- b that to the extent the information provided by you in the Application Form is incomplete, you acknowledge and accept that the investment recommendations are limited and you have considered whether the Product or Service is appropriate for your relevant personal circumstances
- c you have the legal right and power to enter into the Agreement
- d if you are a body corporate, you are duly incorporated, and
- e if you are a trustee:
 - i you agree that the Agreement will bind you in both a personal capacity and in your capacity as trustee
 - ii you represent and warrant that:
 - A you can be indemnified out of the assets of the trust for all liabilities incurred under this Agreement, and
 - B you have properly exercised your trust powers and have full authority under the trust to enter into the Agreement, and
 - C you are properly authorised to hold in your name any Financial Products that constitute trust property which are dealt with or CHESS sponsored under this Agreement, and

D that any instructions will bind you in both a personal capacity and in your capacity as a trustee, and

E all instructions are lawful and authorised.

f If you are a director or partner of a corporate entity (including an incorporated association):

i you agree that the Agreement will bind you in both a personal capacity and in your capacity as a director or partner of a corporate entity

ii you represent and warrant that:

A you can be indemnified out of the assets of the corporate entity for all liabilities incurred under this Agreement

B you have properly exercised your powers and have full authority of the corporate entity to enter into the Agreement

C you are properly authorised to hold in the corporate name any Financial Products that constitute property of the corporate entity which are dealt with or CHESS sponsored under this Agreement, and

D each natural person listed in the Application Form will be regarded as an Authorised Person in relation to the Account, unless you advise us otherwise in writing.

g if your Account is in two or more names:

i the liabilities of all parties are joint and several

ii a right given to those parties under the Agreement is a right given severally to each of them, and

iii a representation, warranty or undertaking made by any of those parties is made by each of them.

2.2 You acknowledge and agree:

a to provide us with appropriate documentary evidence of identification and capacity

b to notify us of any relevant new information or change in relevant information as it occurs

c that all Financial Products transactions and Financial Services we undertake on your behalf, will be subject to and bound by the Corporations Act 2001 (Cth), the Rules, directions, decisions, regulations, customs and requirements of ASIC, ASX, Chi-X or an Approved Stock Exchange, the ASX Operating Rules, ASX Clear Operating Rules and ASX Settlement Operating Rules (collectively 'ASX Rules'), Chi-X Australia Pty Ltd (Chi-X) Operating Rules (Chi-X Rules) or, where relevant, the law and rules applicable to Financial Products transactions.

Terms and Conditions

3 Your instructions

- 3.1 You acknowledge and agree that:
- a we may act on any verbal or written instructions from you or your Authorised Person
 - b for the purpose of subclause 3.1a a written instruction can include, but is not limited to, an email, facsimile and SMS text where previously agreed
 - c we do not provide a secure email facility for the provision of instructions to us and we can neither guarantee the delivery of instructions to us, nor confirmations of receiving, acting or declining to act on such instructions nor the security of any information contained within any email to and from us
 - d if you request that we act on email, faxed or SMS instructions and we have agreed to do so, you acknowledge and agree that we may act on any instructions received from such email address, facsimile or mobile number nominated by you in writing to us from time to time
 - e where an email address is nominated pursuant to subclause 3.1d we are entitled to assume that any request to act from that email address is a request to act from you or your Authorised Person;
 - f where a request to act is sent by email or any other electronic form of communication you can not assume that the request to act has been received by Morgans and will be acted on until you receive a response from your adviser acknowledging the receipt of that email or communication
 - g Morgans will not be liable for any loss or liability incurred by you where any instructions fail to reach us or are delayed when delivered by email, fax or SMS or where any dealing or proposed dealing is interrupted, delayed, unable to be completed or unable to take place due to service interruption or the failure of any computer or other electronic service
 - h in the absence of specific execution instructions your order will be executed at the price available in accordance with our Best Execution Policy on either ASX or Chi-X, or the appropriate Approved Stock Exchange (subject to any limit imposed by you which may be different to the price at which the Financial Product is trading at the time you give us instructions)
 - i we may at any time obtain a credit report or information containing your commercial and/or personal credit history from any credit reporting agency or any other credit provider, and
 - j we may give to or seek from any person providing credit to you any commercial or personal credit information about you for the purposes of assessing credit applications or providing you with Financial Product advice, collecting any overdue payments, notifying defaults or exchanging information concerning defaults.
- 3.2 We will promptly notify you or your Authorised Person, as appropriate, if we in our absolute discretion and for any reason:
- a refuse a request for information, or
 - b decline to accept or execute any instruction or order given by you or your Authorised Person
 - c cancel any order, or
 - d generally restrict your ability to trade Financial Products through your Account.

4 Financial Product transactions

- 4.1 You represent and warrant that:
- a you will provide us with all relevant information as required by the Rules at the time of placing an order to deal in Financial Products
 - b before placing any orders, you will be in a position to pay for any Services, Financial Products purchased or have a presently

exercisable and unconditional right to vest in a buyer any Financial Products sold, as the case may be

- c you will not issue instructions to us that will breach, or are likely to cause us to breach, any Rules including but not limited to:
 - i market manipulation, or
 - ii insider trading or front running, or
 - iii short selling, or
 - iv misleading or deceptive conduct.
 - d you will not instruct any unauthorised person to issue instructions on your Account, and
 - e if you become aware of any unauthorised transactions on your Account you will contact us immediately.
- 4.2 You acknowledge and agree that:
- a we may deal on our own account, on behalf of our related entities and on account of Prescribed Persons (as defined in the Rules) ('as principal') on either ASX / Chi-X or an Approved Stock Exchange from time to time
 - b your orders may be matched with an as principal order in the relevant trading platform for Financial Products transactions on either ASX / Chi-X or an Approved Stock Exchange and that accordingly, we may be a party to a transaction with you
 - c you consent to Morgans acting as principal and consent to our disclosure to the relevant Approved Stock Exchange and that we have obtained your consent
 - d your orders may be matched with opposite orders for Financial Products transactions on the Approved Stock Exchange on behalf of our other clients
 - e you will inform us when you place a sell order in respect of Securities which you do not own (or if you place the order as agent, your client does not own), and confirm you have borrowed or arranged for Securities to be borrowed for delivery (i.e. a covered short sale), and
 - f ASX, Chi-X or an Approved Stock Exchange has the power to require cancellation or amendment of a Financial Product transaction on the relevant exchange.
- 4.3 You acknowledge and accept that:
- a all orders placed outside Normal Trading Hours will not be executed by us until commencement of the next Business Day
 - b in certain circumstances your order may be partially filled over more than one day, and
 - c if your order is filled over more than one day it will be executed at the price available on the either ASX, Chi-X or an Approved Stock Exchange (subject to any limit imposed by you).
- 4.4 There are multiple exchange markets operating in Australia. As a market participant, we have a Best Execution Policy that outlines how we will execute and deal with orders to ensure that we adhere to our best execution obligation. The latest version of this policy is available on our website.
- ### 5 Trade Confirmations
- 5.1 We are required to provide trade confirmations to you in respect of each market transaction entered into by you. These confirmations can be provided to you either in writing, electronically (email), by fax or as otherwise permitted by an Approved Stock Exchange.
- 5.2 You acknowledge and agree that:
- a if you have provided Morgans with an email address and indicated that you would like to receive your trade confirmations by email, you elect to receive trade confirmations by electronic means and

Terms and Conditions

we will only provide electronic trade confirmations for all trades entered into on your Account, unless otherwise advised by you in writing

- b all trade confirmations, whether electronic or hard copy, are issued subject to the Rules, directions, decisions and requirements of ASX, Chi-X or the appropriate Approved Stock Exchange, the clearing rules and the settlement rules, the customs and usages of the market and the corrections of errors or omissions
- c a single trade confirmation is evidence of your authorisation provided to us in sub clauses 3.1 (a) and (b) in the past either expressly or by continuing to place orders with us
- d if we issue you with a trade confirmation it will, in the absence of manifest error, constitute conclusive evidence of the Financial Product transaction, and
- e the obligation to make payment by the Settlement Date is not subject to receiving the trade confirmation.

5.3 You authorise us to accumulate and volume weighted average price (VWAP) two or more transactions, in the same Financial Product or in respect of a series of transactions, carried out pursuant to an order, and provide to you a single trade confirmation when the entire order is completed instead of individual trade confirmations in respect of each transaction in the series.

5.4 You warrant and represent that:

- a the email address you provide us for the purpose of receipt of trade confirmations is true, complete and correct
- b you will notify us immediately if you do not receive delivery of an expected trade confirmation within 24 hours, and
- c you will notify us immediately in writing under your signature if there is any change to your email address.

6 Settlement

6.1 You represent and warrant that:

- a where Financial Products have been purchased, you will pay us the consideration for those Financial Products including associated duties and/or taxes
- b where Financial Products have been sold, deliver them to us in such form as would constitute valid delivery under the ASX / Chi-X Rules
- c you will ensure that we receive payment for all Securities purchased including associated duties and/or taxes and all brokerage (including any GST) in respect of the trade on or before the second settlement day after the Securities transaction was entered into, except:
 - i where a later date for settlement has been agreed by us in writing which is no more than 30 days after the transaction (in which case, the market transaction must be settled on the agreed date)
 - ii the transaction is a Forward Delivery Transaction (in which case, the transaction must be settled on the agreed forward date), or
 - iii the ASX, Chi-X or an Approved Stock Exchange classifies the product 'deferred delivery' or 'deferred settlement' (in which case, the transaction must be settled on the day specified by the relevant exchange), and
- d where Financial Services have been provided, you will pay us for the provision of those Services in accordance with the tax invoice that we will issue to you.

6.2 You agree and acknowledge that:

- a before effecting any buy transaction we may, at our discretion, require you to put the full amount of the purchase price, together

with any applicable fees or charges into our trust account in preparation for settlement

- b all currency exchange risks in respect of your transactions will be borne by you. Any conversion from one currency to another required to be made by us to perform or enforce any transaction may be effected by us in the manner and at the time as we in our absolute discretion decide prior to the settlement date, and
- c you will be deemed to have failed to complete a contract if payment in full of the purchase price for the Securities and other charges or delivery of Securities which constitute valid deliveries between brokers is not received by us by the date for settlement shown on the trade confirmation.

7 Failure to Settle

7.1 Where you fail to comply with your obligations pursuant to clause 6 of this Agreement or the ASX / Chi-X Rules then without prejudice to any other rights we may:

- a determine in our absolute discretion, at your risk and expense, to sell any Financial Products now or hereafter held by you on your behalf for any reason whatsoever and apply the proceeds in reduction of your liability to us
- b automatically close-out any Securities which have failed to settle after the initial scheduled settlement day by purchasing or borrowing Securities required to complete the failing source settlement in accordance with the ASX Settlement Operating Rules or Chi-X Operating Rules
- c charge you default interest on the outstanding moneys from the date of the relevant confirmation until the date on which payment is received by us at the rate equal to the Bank Bill Swap Reference Rate applicable at the date of the relevant confirmation plus a margin of 1.5%
- d deduct any daily or other fail fee or Securities lending fee from your net sale proceeds that is incurred by us for any sell transaction that does not settle on the settlement date as a consequence of your failure to supply or deliver your HIN, SRN or share certificate by the settlement date, and
- e Morgans shall have a general lien over all Financial Products and documents held or controlled by us for you in respect of all moneys now or at any other time owing by you to us for any reason.

8 Authorised Persons

- 8.1 You agree that if you have appointed an Authorised Person to deal on your behalf, then we may act upon the trading instructions of an Authorised Person, or provide Account information in response to a request from an Authorised Person, without the necessity to check the authority of that person.
- 8.2 We are not liable in respect of anything either we do or do not do in reliance on any trading instruction given, or in response to any request for information made, by a person we reasonably believe to be you or your Authorised Person.
- 8.3 If there is more than one Authorised Person, we may act on the instructions of any Authorised Person severally.
- 8.4 You acknowledge that Authorised Persons will be able to give instructions to deal on your Account or obtain information about your Account on your behalf, but that we may require written instructions from you in certain circumstances at our discretion.
- 8.5 We will regard each natural person listed in the Application Form as an Authorised Person for the purposes of this Account, unless you tell us not to do so in writing.

Terms and Conditions

9 What You Pay Us

- 9.1 You acknowledge you have received, read and understood our Financial Services Guide (FSG) and consent to us charging you and you agree to pay such standard fees and charges as are applicable at the time of the Financial Product transactions or provision of the Financial Service including:
- brokerage
 - commission
 - fee for service, or
 - any other fee which would otherwise be applicable to the transaction.
- 9.2 You consent to us charging you, in an 'as principal' transaction, to the extent permitted by the Rules and the law, brokerage, commission or any other fee which would otherwise be applicable to the transaction if it were not an as principal transaction.
- 9.3 When we enter into a market transaction on our own behalf with you, we will not charge you brokerage, commission or any other fee in respect of the transaction, except if:
- you are a Prescribed Person
 - you are a Wholesale Client who has consented to us charging brokerage, commission or any other fee (and that consent has not been withdrawn), or
 - where otherwise permitted by the Corporations Act 2001 (Cth).

10 Interest on funds in our Trust Account

We may earn interest on the aggregate balance of any funds retained within our trust account. As it is not feasible to ascertain the interest attributable to your individual account balance, then, in accordance with legislation, any such interest will be retained by us.

11 Tax File Number and Australian Business Numbers

- 11.1 You acknowledge and agree that:
- We are authorised by law to request and maintain a record of Tax File Numbers (TFN) or Australian Business Number (ABN) for the purpose of providing them to investment bodies on behalf of CHESS sponsored clients.
 - It is not an offence to withhold your TFN or, where the Securities are held for a business purpose, your ABN. However, if you do not provide your TFN or ABN, tax may be deducted from payments of interest and the unfranked portion of dividends at the highest marginal tax rate.

12 GST Status

- 12.1 If you notify us in the Application Form or otherwise in writing that:
- you are not an Australian Resident, or
 - you will not be in Australia at the time the Services are supplied by us to you, then you represent and warrant that unless you notify us otherwise, any Services which are supplied by us to you will:
 - be for your sole use and not for the benefit of any third party, and
 - not be used by you to carry on an enterprise in Australia.
- 12.2 You agree to indemnify us and keep us indemnified against any GST (including any penalties or interest applied) which is paid or payable by us in providing taxable supplies to you.

13 Extent of Liability

- 13.1 We will not be liable to you for any losses, damages, costs and expenses, of any character, resulting from or caused by:
- you or an Authorised Person giving instructions to us

- us refusing to act on your or an Authorised Person's instructions
- your use of or reliance on any research reports provided by us
- your default under this Agreement
- anything lawfully done by us, in accordance with this Agreement or at your request
- us complying with any direction, request or requirement of the ASIC Market Integrity Rules, the Corporations Act 2001 (Cth) and its regulations, the AML/CTF Laws, the Rules, the ASX Rules or Chi-X Rules or any regulatory authority
- failure of an exchange, or
- any events or circumstances which we cannot reasonably control.

- 13.2 You agree to indemnify the Indemnified Parties against any losses or liabilities reasonably incurred by any of the Indemnified Parties arising out of, or in connection with, and any costs, charges and expenses incurred in connection with, any of the Indemnified Parties acting under, or in connection with this Agreement except insofar as any loss, liability, cost, charge or expense is caused by the negligence, fraud or dishonesty of any Indemnified Party. We hold the benefit of this indemnity on trust for each Indemnified Party.
- 13.3 We do not exclude or limit the application of any statute (including the Competition and Consumer Act 2010 (Cth)) where to do so would contravene that statute or cause any part of this Agreement to be void. We exclude all conditions, warranties or terms implied by statute, general law or custom except to the extent that such exclusion would contravene any statute or cause this provision to be void. Our liability for a breach of any provision implied by law which cannot be excluded is limited in the case of goods, to the replacement of the goods or the supply of the equivalent goods or in the case of services, the supplying of the services again.

14 Terminating this Agreement

- 14.1 Subject to the Rules, this Agreement will be terminated upon the occurrence of any of the following events:
- by notice in writing from either you or us to the other party to the Agreement
 - upon us becoming insolvent, or
 - upon our termination or suspension as either Market Participant of the ASX and Chi-X, Settlement Participant of ASX Settlement or Clearing Participant of ASX Clear, or
 - upon any cancellation of our AFSL.
- 14.2 Termination of this Agreement does not affect any rights or obligations that have arisen before that time.
- 14.3 The provisions of clause 14 of this Agreement are continuing obligations and shall continue after termination of this Agreement.
- 14.4 The termination of this Agreement does not affect any:
- transaction which we have properly entered into before termination
 - claim by us for accrued fees and expenses incurred in respect of the period prior to termination, or
 - other claims which any party may have against the other.
- 14.5 On termination, we shall have no further obligations to you and we shall transfer, redeem, sell or otherwise deal with your Account as instructed by you or an Authorised Person prior to termination.

15 Changing the Terms of this Agreement

- 15.1 By giving us not less than ten (10) business days notice in writing, you can amend:
- your personal information, and
 - your Authorised Person details.

Terms and Conditions

15.2 Subject to clause 15.3 and the Rules, we can amend this Agreement by 30 days' prior notice in writing to you.

15.3 If we agree that we will provide you with additional Services as contemplated in clause (d) of the definition of Services, any consequential amendments to the Agreement will have effect from the date you first use such Service. If we wish to offer additional Services, we can amend, and add further schedules to, the Agreement with effect from the date you first use that new or varied Service.

16 Assignment

16.1 You cannot assign your rights or obligations under the Agreement without our written consent.

16.2 We can assign our rights or obligations under the Agreement to any of our affiliates at any time or to any other person by giving you 30 days notice in writing.

17 Effect of Death or Incapacity

17.1 You agree, if you are an individual, that:

- a if you should die during the term of the Agreement, your personal representative(s) will ratify and confirm all acts and things which we have lawfully done or caused to be done pursuant to this Agreement between the date of your death and receipt by us of notice of it and will indemnify us in respect of these acts or things, and
- b the authority which you have conferred on us by the Agreement will continue to operate and have full force and effect notwithstanding that you may subsequently become incapable.

18 Severance

Any provision of the Agreement which is void, prohibited or unenforceable in a jurisdiction is ineffective in that jurisdiction to the extent only that the provision is void, prohibited or unenforceable in that jurisdiction.

19 Notices

19.1 Any notice, approval, consent or other communication under this Agreement must be in writing, and delivered personally or given by post, facsimile or email to a party at the address of that party indicated at the beginning of this Agreement, or to another address as that party may from time to time notify to the other for the purposes of this clause.

19.2 Communications take effect from the time they are received, unless a later time is specified. If sent by post, they are taken to be received three (3) days after posting. Proof of despatch of facsimile or email will be proof of receipt; in the case of facsimile, on the day immediately following despatch, provided that the sender's facsimile machine produced a simultaneous report of successful transmission; and in the case of an email on the expiration of one (1) day after the date of sending.

20 Governing Law

This Agreement is governed by and interpreted in accordance with the laws in the State of Queensland and each of the parties irrevocably and unconditionally submit to the exclusive jurisdiction of the courts of Queensland and the Commonwealth of Australia in respect of all matters arising out of or relating to this Agreement.

21 Privacy

21.1 In line with our Privacy Policy:

- a we will manage your personal information in accordance with the law and the Australian Privacy Principles (subject to any overriding provisions of law) and as specified in our Privacy Policy as amended from time to time
- b we will gain your consent in accordance with our Privacy Policy to the collection of your personal information directly from you in person by email, correspondence, or when you deal with us over the telephone, and

- c we will accept your implied consent, for the purposes of security, quality, training, or verification, to us listening to and/or recording telephone calls to which you are a party with us.

21.2 Our Privacy Policy sets out our policies and procedures for the collection and management of your personal information. You can obtain a copy free of charge by contacting your adviser, or online at www.morgans.com.au

22 Complaints

22.1 Complaints should be referred to us in accordance with the procedure set out in the FSG provided to you.

22.2 You may refer unresolved complaints to the Financial Ombudsman Service (FOS) Australia (the independent dispute resolution scheme subscribed to by us).

23 National Guarantee Fund

23.1 The National Guarantee Fund covers losses in certain circumstances as set out in the Corporations Regulations 2001 (Cth).

23.2 If you incur a loss covered by the National Guarantee Fund you should contact the ASX to make a claim for compensation against the fund.

Chi-X and ASX operate different compensation funds that provide protection for retail investors in the circumstances defined in the Corporations Act and Regulations. The Chi-X compensation fund covers losses resulting from defalcation or fraudulent misuse of your money, property or authority by a Chi-X participant, subject to certain exceptions.

In circumstances where your stockbroker is also an ASX participant, the following applies in relation to such a loss. If you do not expressly or impliedly instruct your stockbroker, who is a Chi-X participant, to execute your trading instructions on the Chi-X market, and it is not reasonably apparent from the usual business practice of your stock broker which of the ASX or Chi-X market the participant would use when acting for you, the Chi-X fund will not apply. In this case, the National Guarantee Fund (NGF) may apply, provided the loss is connected to the ASX market and is covered by the NGF claims provisions. The NGF claims provisions are set out in Division 4 of Part 7.5 of the Corporations Act and Regulations (for further information see the legislation and the NGF Information Booklet available at www.secg.com.au).

24 Definitions and Interpretation

24.1 The following words have the following meanings:

Account means an account with us opened in your name, or where we have or will open several accounts in your name, it shall mean all such accounts jointly and severally

AML/CTF Laws means all applicable laws, regulation, rules and regulatory guidance issued by AUSTRAC or any regulator relating to the prevention and detection of money laundering and terrorism financing

Agreement means the agreement formed by our acceptance of your application for an Account with us, subject to the terms and conditions, schedules and Application Form

Application Form means an Morgans account application form

Approved Securities Exchange means a stock exchange that we are able to trade on as either a participant, including ASX, Chi-X and NSXA, or through an arrangement with an overseas participant

ASIC means the Australian Securities and Investment Commission

ASIC Market Integrity Rules means the market integrity rules made by ASIC as in force from time to time

ASX means ASX Limited ABN 98 008 624 691 or the securities market conducted by ASX limited, as the context requires

Terms and Conditions

ASX Clear means ASX Clear Pty Ltd ACN 001 314 503

ASX Clear Operating Rules means the clearing rules made by ASX Clear as in force from time to time

ASX Operating Rules means the operating rules made by ASX as in force from time to time

ASX Settlement means the ASX Settlement Pty Ltd as approved under section 779B of the Corporations Act 2001 (Cth) to operate CHESS

ASX Settlement Operating Rules means the Settlement Rules made by ASX Settlement as in force from time to time

Australian Resident means a person who is a resident of Australia for the purposes of the Income Tax Assessment Act 1936

Authorised Person means the person(s) named in the Application Form, authority to deal form or any other written notification from you to us in a form acceptable to us, as amended by notice in writing from you from time to time

Bank Bill Swap Reference Rate (BBSW) means the average mid rate, for Australian Dollar bills of exchange, accepted by an approved bank, having a term with a designated maturity, that appears on an approved information vendors service (eg. Reuters Screen BBSW page) at approximately 10.00am EST (or EDT where applicable) on the relevant date

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Sydney or the local region of the relevant Morgans office

CHESS means the Clearing House Electronic Subregister System

Chi-X means Chi-X Australia Pty Ltd ABN 47 129 584 667 or the securities market conducted by Chi-X Australia Pty Ltd, as the context requires

Chi-X Operating Rules means the Operating rules made by Chi-X as in force from time to time

Financial Product has the meaning given to it under Chapter 7 of the Corporations Act 2001 (Cth)

Financial Service has the meaning given to it under Chapter 7 of the Corporations Act 2001 (Cth)

Forward Delivery Transaction means where the trading participants agree to a time for settlement that is later than the second Business Day following the transaction

FSG means Morgans financial services guide

Full Service Broking means full personal investment advisory services offered by us as set out in our FSG

GST has the same meaning as in A New Tax System (Goods and Services Tax) Act 1999 (Cth)

Indemnified Parties refers to any directors, officers, agents, authorised representatives, members and affiliates of the Morgans Group;

National Guarantee Fund means the compensation fund that is available to meet valid claims arising in the circumstances set out in Division 4, Part 7.5 of the Corporations Act 2001 (Cth) and Corporations Regulations 2001 (Cth)

National Privacy Principles means provisions contained in s14 of the Privacy Act 1988 (Cth)

Normal Trading Hours means between 10am to 4pm EST (or 10am to 4pm EDT when applicable) on a Business Day

NSXA means the National Stock Exchange of Australia Limited ABN 11 000 902 063

Particular Service means, without limitation CHESS sponsorship, Wealth+, YESS, options, warrants, partly paid securities and fixed term products

Prescribed Person means any director, partner, affiliate or responsible officer, executive, employee, immediate family (including family trust or family company) of Morgans Financial Limited or any related body corporate

Morgans Group means Morgans Financial Limited, Morgans Holdings (Australia) Ltd and their respective subsidiaries, directors, officers and authorised representatives

Rules means any or all of the ASIC Market Integrity Rules, ASX Operating Rules, ASX Settlement Operating Rules, and ASX Clear Operating Rules, Chi-X Operating Rules or the rules, regulations and guidelines of an Approved Stock Exchange as the case requires

Securities means, without limitation, options, warrants, debt, equity and any other instrument listed and traded on the ASX, Chi-X, NSXA or an Approved Stock Exchange

Services mean any or all of the following services:

- a Financial Service
- b General advice and execution/settlement
- c Full Service Broking
- d financial planning including without limitation wealth creation, wealth management and wealth protection
- e CHESS sponsorship, and
- f such other Services agreed by us and you, provided to you in respect of your Account

Settlement Date is the date referred to on the trade confirmation

Taxable Supply has the meaning as in A New Tax System (Goods and Services Tax) Act 1999 (Cth)

Us, we, our means Morgans Financial Limited (ABN 49 010 669 726, AFSL 235410)

Wholesale Client has the meaning given by s761G Corporations Act 2001 (Cth)

YESS means Your Entire Superannuation Solution Pty Ltd (ABN 11 126 335 957), and

You, your means the person(s), company Trustees or other entity named as the applicant in the Application Form, as applicable.

24.2 Unless the context requires otherwise:

- a words expressed in one gender include all genders
- b words expressed in the singular include the plural and vice versa
- c words implying natural persons include partnerships, bodies corporate, associations and public authorities
- d except as otherwise defined in the Agreement, all terms used in the Agreement which are defined in the Rules and the Corporations Act 2001 (Cth) shall have the meaning given in the Rules or the Corporations Act 2001 (Cth), as the case may be, and in the event of any inconsistency between the Rules and the Corporations Act 2001 (Cth), with the Corporations Act 2001 (Cth) shall prevail
- e a reference to a document or agreement, including this Agreement, includes a reference to that document or agreement as novated, altered or replaced from time to time
- f a reference to a party includes the party's administrators, successors and permitted assigns
- g every provision, express or implied, which applies to more than one person shall apply to those persons jointly and each of them severally; and person means and includes a natural person, firm or corporation, and
- h a reference to dollars or \$ is a reference to Australian currency.

Direct Debit Service Agreement

Please find below details of the client Direct Debit Service Agreement with Morgans Financial Limited – Debit User number 216859. This document explains your obligations when requesting a direct debit arrangement with us. In addition the document details Morgans Financial Limited obligations to you the client as your direct debit provider. Please keep this agreement for future reference. The direct debit service agreement forms part of the terms and conditions of the use of a direct debit request on your account and should be read in conjunction with your direct debit request authorisation form.

Definitions

Agreement means this Direct Debit Request Service Agreement between the client and Morgans Financial Limited.

Banking day means a day other than a Saturday or a Sunday or a formally noted public holiday in Australia.

Debit day means the day that payment by you to us is due.

Debit payment means a particular transaction where a debit is made.

Direct debit request means the direct debit request between Morgans Financial Limited and the client.

Us or we or our means Morgans Financial Limited.

You or your means the client who has signed, or authorised by other means, the direct debit request.

Your account means the account held at your financial institution from which we are authorised to arrange for funds to be debited.

Your financial institution means the financial institution nominated by you on the Direct Debit Request form at which the account is maintained.

1 Debiting your account

- 1.1 By signing a direct debit request form or by providing us with a valid instruction, you have authorised us to arrange for funds to be debited from your account. You should refer to the direct debit request form and this agreement for the terms of the arrangement between Morgans Financial Limited and you the client.
- 1.2 We will only arrange for funds to be debited from your account as authorised in the direct debit request. The amount and frequency of drawings will vary to coincide with your dealings with Morgans Financial Limited.
- 1.3 If the debit day falls on a day that is not a banking day, we may direct your financial institution to debit your account on the following banking day. If you are unsure about which day your account has or will be debited you should ask your financial institution.
- 1.4 Direct debits will be processed the business day prior to the settlement date.

2 Amendments by Morgans

- 2.1 We may vary any details of this agreement or a direct debit request at any time by giving you at least fourteen (14) days written notice.
- 2.2 We reserve the right to cancel the drawing arrangements if two (2) or more debit requests are returned unpaid by you financial institution and to arrange with you an alternate payment method.

3 Amendments by you

You may change*, stop or defer a debit payment, or terminate this agreement by providing us with at least five (5) days notification in writing to:

Morgans Financial Limited
Attention: Client Accounts
GPO Box 202
Brisbane Qld 4001

or by telephoning your Morgans adviser or Client Accounts on 07 3334 4888 during business hours

or by arranging it through your own financial institution, which is required to act promptly on your instructions.

*Note: In relation to the above reference to 'change', your financial institution may 'change' your debit payment only to the extent of advising us of your new account details.

4 Your obligations

- 4.1 It is your responsibility to ensure that there are sufficient cleared funds available in your account to allow a debit payment to be made in accordance with the direct debit request.
- 4.2 If there are insufficient cleared funds in your account to meet a debit payment:
 - a you may be charged a fee and/or interest by your financial institution
 - b you may also incur fees or charges imposed or incurred by Morgans Financial Limited, and
 - c you must arrange for the payment to be made by another method or arrange for sufficient cleared funds to be in your account by an agreed time so that we can process the debit payment.
- 4.3 You should check your account statement to verify that the amounts debited from your account are correct.

5 Dispute

- 5.1 If you believe that there has been an error in debiting your account, you should notify Client Accounts directly on (07) 3334 4888 and confirm by notice in writing as soon as possible so that we can resolve your query as quickly as possible. Alternatively, you can contact your financial institution directly.
- 5.2 If, as a result of our investigations, we conclude that your account has been incorrectly debited we will respond to your query by arranging for your financial institution to adjust your account accordingly. We will also notify you in writing of the amount by which your account has been adjusted.
- 5.3 If, as a result of our investigations, we conclude that your account has not been incorrectly debited we will respond to your query by providing you with clarification.

6 Accounts

You should check:

- a with your financial institution whether direct debiting is available from your account as direct debiting is not available on all accounts offered by financial institutions
- b that the account details you have provided us are correct
- c with your financial institution before completing the direct debit request if you have any queries about how to complete the direct debit request, and
- d the bank details provided are in the same name as your Morgans Financial Limited account.

7 Confidentiality

- 7.1 We will keep any information (including your account details) in your direct debit request confidential. We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.
- 7.2 We will only disclose information that we have about you:
 - a to the extent specifically required by law, or
 - b for the purposes of this agreement (including disclosing information in connection with any query or claim).

Direct Debit Service Agreement

8 Notice

- 8.1 If you wish to notify us in writing about anything relating to this agreement, you should write to:
- Morgans Financial Limited
Attention: Client Accounts
GPO Box 202
Brisbane Qld 4001
- 8.2 We will notify you by sending a notice in the ordinary post to the address you have provided us in your Morgans Financial Limited Account Application.
- 8.3 Any notice will be deemed to have been received on the third banking day after posting.

CHESS Agreement

Please refer to our website www.morgans.com.au for the most up to date version of our CHESS Sponsorship Agreement

1 Interpretation

- 1.1 Any term used in the Agreement which is defined in the ASX Settlement Operating Rules ('Rules') has the meaning given in the Rules. (Should you require a copy of these definitions please contact our office.)

2 Mandatory Provisions

2.1 Participant Rights

- 2.1.1 Where the Participant Sponsored Holder authorises the Participant to buy Financial Products, the Participant Sponsored Holder will pay for those Financial Products within two (2) Business Days of the date of purchase.
- 2.1.2 Subject to Clause 2.1.3 the Participant is not obliged to transfer Financial Products into the Participant Sponsored Holding, where payment for those Financial Products has not been received, until payment is received.
- 2.1.3 Where a contract for the purchase of Financial Products remains unpaid, after the Participant has made a demand of the Participant Sponsored Holder to pay for the Financial Products, the Participant may sell those Financial Products that are the subject of that contract at the Participant Sponsored Holder's risk and expense and that expense will include brokerage, GST and stamp duty (if applicable).
- 2.1.4 Where the Participant claims that an amount lawfully owed to it has not been paid by the Participant Sponsored Holder, the Participant has the right to refuse to comply with the Participant Sponsored Holder's 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 market value of the amount claimed).

2.2 Participant Sponsored Holder's Rights

- 2.2.1 The Participant Sponsored Holder is entitled to receive a copy of the executed Broker Sponsorship Agreement on request.
- 2.2.2 Subject to Clauses 2.1.3 and 2.1.4, the Participant 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.
- 2.2.3 The Participant will not initiate any Transfer or Conversion into or out of the Participant Sponsored Holding without the express authority of the Participant Sponsored Holder.
- 2.2.4 The Participant is regulated by the Corporations Act 2001 (Cth), the Australian Securities and Investment Commission (ASIC) Act and related legislation applicable to Financial Services Providers, the ASIC Market Integrity Rules, ASX Operating Rules, ASX Clearing Rules, and ASX Settlement Rules (collectively ASX Rules), the Chi-X Australia Pty Limited (Chi-X) Operating Rules. The Participant Sponsored Holder can obtain information as to the status of the Participant from ASIC, ASX and Chi-X.
- 2.2.5 The Participant Sponsored Holder may lodge a complaint against the Participant with the Participant, the Financial Ombudsman Service (FOS) Australia, ASIC, ASX or Chi-X.
- 2.2.6 The Participant Sponsored Holder may lodge a claim for compensation with the Participant, or if the circumstances specified in Part 7.5 Division 4 of the Corporations Regulations 2001 apply, with the National Guarantee Fund.

3 Other Rights And Duties

3.1 Supply of Information

- 3.1.1 The Participant Sponsored Holder will supply all information and supporting documentation which is reasonably required to permit the Participant to comply with the registration requirements, as are in force from time to time, under the ASX Settlement Operating Rules.

3.2 Exchange Traded Options, Pledging and Sub-Positions

- 3.2.1 Where the Participant Sponsored Holder arranges with ASX Clear to lodge Derivatives Cover in a Participant Sponsored Holding, and informs the Participant of the arrangement, the Participant Sponsored Holder authorises the Participant to take whatever action is reasonable required by ASX Clear in accordance with the Rules to give effect to that arrangement.
- 3.2.2 Where the Participant Sponsored Holder arranges with any person to give a charge or any other interest in Financial Products in a Participant Sponsored Holding, the Participant Sponsored Holder authorises the Participant to take whatever action is reasonable required by the person in accordance with the Rules to give effect to that arrangement.
- 3.2.3 The Participant Sponsored Holder acknowledges that where, in accordance with this Agreement and/or the Participant Sponsored Holder's instructions, the Participant initiates any action which has the effect of creating a sub-position over Financial Products in the Participant Sponsored Holding, the right of the Participant Sponsored Holder to transfer, convert or otherwise deal with those Financial Products is restricted in accordance with the terms of the Rules relating to sub-positions.
- 3.2.4 Nothing in this Agreement operates to override any interest of ASX Clear in the Financial Products.

3.3 Fees

- 3.3.1 The Participant Sponsored Holder will pay all Brokerage fees and associated transactional costs within the period prescribed by the Participant.

4 Mandatory Notifications and Acknowledgments

- 4.1 The Participant Sponsored Holder acknowledges that if the Participant is not a Market Participant of an Approved Market Operator, neither the Approved Market Operator nor any Related Party of the Approved Market Operator has any responsibility for regulating the relationship between the Participant Sponsored Holder and the Participant, other than in relation to the Rules relating to Sponsorship Agreements.
- 4.2 The Participant Sponsored Holder acknowledges that if a transfer is taken to be effected by the Participant under Section 9 of the ASX Settlement Operating Rules and the Source Holding for the transfer is Participant Sponsored Holding under the Sponsorship Agreement, then
- the Participant Sponsored Holder may not assert or claim against ASX Settlement or the relevant Issuer that the Transfer was not effected by the Sponsoring Participant or that the Sponsoring Participant was not authorised by the Participant Sponsored Holder to effect the transfer; and
 - unless the transfer is also taken to have been effected by a Market Participant of ASX or a Clearing Participant of ASX Clear, the Participant Sponsored Holder has no claim arising out of the transfer against the National Guarantee Fund under Part 7.5, Division 4 of the Corporations Regulations 2001.

CHESS Agreement

- 4.3 In the event that the Participant breaches any of the provisions of this Agreement, the Participant Sponsored Holder may refer that breach to any regulatory authority, including ASX Settlement.
- 4.4 In the event that the Participant is suspended from CHESS participation, subject to the assertion of an interest in Financial Products controlled by the Participant, by the liquidator, receiver, administrator or trustee of that Participant:
- a the Participant Sponsored Holder has the right, within twenty (20) Business Days of ASX Settlement giving Notice of Suspension, to give notice to ASX Settlement requesting that any Participant Sponsored Holdings be removed either:
 - i from the CHESS Subregister, or
 - ii from the control of the suspended Participant to the control of another Participant with whom they have concluded a valid Sponsorship Agreement pursuant to Rule 12.19.10, or
 - b where the Participant Sponsored Holder does not give notice under Clause 4.4.(a), ASX Settlement may effect a change of Controlling Participant under Rule 12.19.11. and the Participant Sponsored Holder will be deemed to have entered into a new Sponsorship Agreement with the substitute Participant on the same terms as the existing Sponsorship Agreement. Where a Participant Sponsored Holder is deemed to have entered into a Sponsorship Agreement, the new Participant must enter into a Sponsorship Agreement with the Participant Sponsored Holder within ten (10) Business Days of the change of Controlling Participant.
- 4.5 The Participant Sponsored Holder acknowledges that before the Participant Sponsored Holder executed the Sponsorship Agreement, the Participant provided the Participant Sponsored Holder with an explanation of the effect of the Sponsorship Agreement and that the Participant Sponsored Holder understood the effect of the Sponsorship Agreement.
- 4.6 The Participant Sponsored Holder acknowledges that in the event of the death or bankruptcy of the Participant Sponsored Holder, a Holder Record Lock will be applied to all Participant Sponsored Holdings in accordance with the ASX Settlement Operating Rules, unless the Participant Sponsored Holder's legally appointed representative or trustee elects to remove the Participant Sponsored Holdings from the CHESS Subregister.
- 4.7 The Participant Sponsored Holder acknowledges that in the event of the death of the Participant Sponsored Holder, this Sponsorship Agreement is deemed to remain in operation, in respect of the legally appointed representative authorised to administer the Participant Sponsored Holder's estate, subject to the consent of the legally appointed representative, for a period of up to three (3) calendar months after the removal of a Holder Record Lock applied pursuant to Clause 4.6.

For Joint Holdings Only

- 4.8 The Participant Sponsored Holder acknowledges that in the event of the death of one of the Holders, the Participant will transfer all Holdings under the joint Holder Record into new Holdings under a new Holder Record in the name of the surviving Participant Sponsored Holder(s), and that this Sponsorship Agreement will remain valid for the new Holdings under the new Holder Record.
- 4.9. The Participant Sponsored Holder acknowledges that in the event of the bankruptcy of one of the Holders the Participant will:
- a unless the legally appointed representative of the bankrupt Participant Sponsored Holder elects to remove the Participant Sponsored Holdings from the CHESS 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 the 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.
- 5 Change Of Controlling Participant**
- 5.1 If the Participant Sponsored Holder receives a Participant Change Notice from the Controlling Participant of the Participant Sponsored Holding and the Participant Change Notice was received at least twenty (20) Business Days prior to the date proposed in the Participant Change Notice for the change of Controlling Participant, the Participant Sponsored Holder is under no obligation to agree to the change of Controlling Participant, and may choose to do any of the things set out in clauses 5.2 or 5.3.
- 5.2 The Participant Sponsored Holder may choose to terminate the Agreement by giving Withdrawal Instructions under the ASX Settlement Operating Rules to the Controlling Participant, indicating whether the Participant Sponsored Holder wishes to:
- a transfer its Participant Sponsored Holding to another Controlling Participant, or
 - b transfer its Participant Sponsored Holding to one or more Issuer Sponsored Holdings.
- 5.3 If the Participant Sponsored Holder does not take any action to terminate the Agreement in accordance with 5.2 above, and does not give any other instructions to the Controlling Participant which would indicate that the Participant Sponsored Holder does 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 the Existing Controlling Participant
 - b any rights of the Existing Controlling Participant are transferred to the new Controlling Participant, and
 - c the Existing Controlling Participant is released by the Participant Sponsored Holder from any obligations arising on or after the effective date.
- 5.4 The novation in clause 5.3 will not take effect until the Participant Sponsored Holder has received a notice from the New Controlling Participant confirming that the New Controlling Participant consents to acting as the Controlling Participant for the Participant Sponsored Holder. The effective date may as a result be later than the date set out in the Participant Change Notice.
- 5.5 The Participant Sponsored Holder will be taken to have consented to the events referred to in clause 5.4 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.

CHES Agreement

- 5.6 The Agreement continues for the benefit of the Existing Controlling Participant 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 5.3 not binding or effective on the effective date, then the Agreement will continue for the benefit of the Existing Controlling Participant until such time as the novation is effective, and the Existing Controlling Participant will hold the benefit of the Agreement on trust for the New Controlling Participant.
- 5.7 Nothing in this clause 5 will prevent the completion of CHES transactions by the Existing Controlling Participant 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 5.

6. Claims For Compensation

- 6.1 Except for the operation of clauses 2.2, 5 and 6.3 no external compensation arrangements apply to the Participant Sponsored Holder.
- 6.2 If the Participant breaches a provision of this Agreement and the Participant Sponsored Holder makes a claim for compensation pursuant to that breach, the ability of the Participant to satisfy that claim will depend on the financial circumstances of the Participant.
- 6.3 If a breach by a Participant of a provision of this Agreement 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, a Participant Sponsored Holder may make a claim under the relevant compensation arrangements.
- 6.4 Chi-X and ASX operate different compensation funds that provide protection for retail investors in the circumstances defined in the Corporations Act and Regulations. The Chi-X compensation fund covers losses resulting from defalcation or fraudulent misuse of your money, property or authority by a Chi-X participant, subject to certain exceptions.

In circumstances where your stockbroker is also an ASX participant, the following applies in relation to such a loss. If you do not expressly or impliedly instruct your stockbroker, who is a Chi-X participant, to execute your trading instructions on the Chi-X market, and it is not reasonably apparent from the usual business practice of your stock broker which of the ASX or Chi-X market the participant would use when acting for you, the Chi-X fund will not apply. In this case, the National Guarantee Fund (NGF) may apply, provided the loss is connected to the ASX market and is covered by the NGF claims provisions. The NGF claims provisions are set out in Division 4 of Part 7.5 of the Corporations Act and Regulations (for further information see the legislation and the NGF Information Booklet available at www.segc.com.au).

7 Termination

- 7.1 Subject to the ASX Settlement Operating Rules, this Agreement will be terminated upon the occurrence of any of the following events:
- by notice in writing from either the Participant Sponsored Holder or the Participant to the other Party to the Agreement
 - upon the Participant becoming insolvent
 - upon the termination or suspension of the Participant, or
 - upon the giving of Withdrawal Instructions by a Participant Sponsored Holder to a Controlling Participant in accordance with Rule 7.1.10(c).
- 7.2 Termination under Clause 7.1(a) will be effective upon receipt of Notice by the other party to the Agreement.

8. Variation

- 8.1 Should any of the provisions in this Agreement be inconsistent with the provisions in the ASX Settlement Operating Rules, the Participant will, by giving the Participant Sponsored Holder not less than seven (7) Business Days written Notice, vary the Agreement to the extent to which in the Participant's reasonable opinion is necessary to remove any inconsistency.

Financial Services Guide

Please refer to our website www.morgans.com.au for the most up to date version of our FSG.

This Financial Services Guide (FSG) is an important document for retail investors. It provides you with information about Morgans Financial Limited (ABN 49 010 669 726; AFSL 235410) ("Morgans", "we", "us" or "our") to help you to fully understand the financial services we offer.

This guide contains important information about:

- The services we offer you
- How we and our associates are paid
- Any potential conflict of interest we may have
- Our internal and external dispute resolution procedures and how you can access them.

This FSG relates only to financial services provided by Authorised Representatives of Morgans Financial Limited to retail investors. Morgans Financial Planning Pty Ltd has its own FSG.

If we provide personal Financial product advice about a product (other than securities such as listed shares) or if we offer or arrange to issue a financial product, we will generally provide you with a Product Disclosure Statement (PDS) or other disclosure document in relation to the financial product. The PDS will contain information about the particular product including the features, benefits, fees and risk associated with that product to assist you in making an informed decision.

Who is responsible for the financial services provided?

Our advisers are Authorised Representatives of Morgans Financial Limited (ABN 49 010 669 726; AFSL 235410), which trades as Morgans. Morgans is responsible for the financial services provided to you. Details of your individual adviser are included in the adviser profile.

Morgans has an Australian Financial Services Licence (AFSL) and is a Participant of ASX Group (ASX), Chi-X Australia Pty Limited (Chi-X), a Broker Participant in the CHES system operated by ASX Settlement (a group company of ASX), a Clearing Participant of ASX Clear, and a Professional Partner of the Financial Planning Association of Australia Limited. Morgans is also a Participant of the National Stock Exchange of Australia Ltd (NSXA). As a Participant of ASX Group and NSXA, all transactions are issued subject to the ASIC Market Integrity Rules and the Rules, directions, decisions and requirements of ASX, Chi-X, NSXA, the Clearing Rules and the Settlement Rules.

Morgans Financial Limited is licensed to provide financial services under the Corporations Act 2001. You should also note that Morgans is obligated under the Anti-Money Laundering and Counter Terrorism Financing Act not to execute any trades for a client unless the client has been properly identified and verified to our satisfaction.

What financial services and products do we offer?

Morgans is authorised under its AFSL to provide the following financial services:

- Financial Products advice, both general and personal
- Deal in financial products by issuing securities
- Underwriting securities
- Deal in Financial Products on behalf of others

Morgans and its related companies are committed to providing advice appropriate to your personal circumstances and based on our comprehensive market and financial knowledge. Our aim is to work with you to determine, develop and maintain a tailored personal investment strategy.

We offer a comprehensive range of products and services to assist you to achieve your financial goals. These include:

- Strategic planning advice, including consideration of social security, estate planning, insurance, wealth protection, taxation and superannuation issues

- Stockbroking services, including quality research on a wide range of Australian companies and access to corporate issues
- Equity finance (margin lending) advice
- Advice on the use of derivatives (such as options and warrants) within your overall investment strategy
- Advice in relation to managed investment products, structured products, cash deposits and fixed interest investments, including government bonds, debentures and stocks
- A managed portfolio service (Wealth+) that provides effective, efficient and timely reports (including taxation reports) and qualifies participants to reduced brokerage rates.

Morgans offers a Managed Discretionary Account ("MDA") service to a limited number of approved clients. Such clients will be mandatory enrolled in Wealth+ and agree on an investment strategy, any exclusions, operating fees etc as part of the discretionary agreement. Refer to a separate section later in this FSG.

Morgans is also authorised to deal in foreign exchange in order to facilitate settlement of international transactions and to provide a custodial or depository service for its nominee company services, which is operated as part of its stockbroking business.

Best Execution Policy

There are multiple exchange markets operating in Australia. As a market participant, we must take reasonable steps when handling and executing an order in equity market products to obtain the best outcome for our clients. We have a Best Execution Policy that outlines how we will execute and deal with orders to ensure that we adhere to our best execution obligation. This policy is publicly available on our website.

What information should you provide to receive personalised advice?

You need to provide us with details of your personal objectives, risk profile, your current financial situation and any other relevant information, so that we can offer you the most appropriate advice possible.

You have the right not to provide this information. However, if you choose not to provide any or all of the information requested, the advice you receive from us will be limited accordingly and may not be appropriate to your needs, objectives and financial situation.

In these circumstances you should consider the appropriateness of our advice in the light of your own objectives, financial situation or needs prior to making any investment decision. If the advice relates to the acquisition of an unlisted Financial Product, you should consider the relevant Product Disclosure Statement before making a decision.

Statement of Advice

Whenever we provide you with any personal financial advice, you may be entitled to receive a Statement of Advice (SOA) from us. The SOA will tell you:

- The advice
- The basis on which the advice has been provided
- Our fees and commissions
- The basis of the remuneration received by your adviser
- Any associations we have with Financial Product Issuers or other parties which may have influenced the advice we give you.

Further Advice

However, whenever we provide you with further advice, which takes into account your relevant personal circumstances, a SOA generally will not be provided. In these circumstances, we will maintain brief details of the basis of advice and you may request, for a period of seven (7) years from when the advice is provided, a copy of the record of advice.

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A record of your 'relevant personal circumstances' will be maintained and a SOA, detailing these personal circumstances and any agreed investment strategy and advice, will be provided to new retail clients. Thereafter, a new SOA will only be provided if you advise that your circumstances have changed materially.

Product Disclosure Statement

If we recommend to you a particular Financial Product (other than securities such as listed shares), we will provide you with information about the particular Financial Product in a Product Disclosure Statement to help you make an informed decision about the Financial Product.

The Morgans Network

All Morgans advisers are Authorised Representatives of Morgans under our AFSL. Morgans has a network of offices around Australia which are operated in one of two ways. Each office is either:

- An 'Owned Office' where the staff and Authorised Representatives are all employees of Morgans Holdings (Australia) Ltd. Morgans Financial Limited is the operating company and a wholly owned subsidiary of Morgans Holdings (Australia) Ltd.
- A 'Managed Office' where a service entity has entered into a Management Agreement with Morgans to manage the office of Morgans in a geographical location. The service entity employs all staff including Authorised Representatives for that office.

What will Morgans be paid for providing financial services and how are any commissions, fees or other benefits calculated?

Generally the payment we receive will be based on the amount you pay. It may vary from one Financial Product Issuer to another. Details of the payment we receive are contained in the Product Disclosure Statements for most Financial Product Issuers available from your adviser.

We will advise you about any commissions, fees and any other benefits, where possible, in actual dollar amounts prior to the transaction. This information will be provided verbally and/or, where a SOA is issued, in the written SOA or confirmation.

When personal advice is given, if the remuneration (including commission) or other benefits are not calculable at that time, the manner in which the remuneration (including commission) or other benefits are to be calculated will be disclosed at the time the personal advice is given or as soon as practicable after that time.

There are a number of ways we may be remunerated for our services depending on the type of advice you receive

Payments you make to us

- Brokerage is payable by you when we buy or sell securities, such as shares, warrants and options, on an authorised market. The amount of brokerage you pay will be determined in consultation with your adviser. A minimum charge may also apply to transactions. You will also have to pay GST on brokerage.
- We may charge you a fee, depending on the time we spend developing your plan, or depending on the value of funds you invest. This fee will be determined in consultation with your adviser but would normally be based on an hourly rate.
- We may charge you a management fee annually or in instalments, based on the value of your portfolio. This fee will normally be based on the amount under management.
- We may charge you administrative or miscellaneous fees covering (not fully inclusive) off market transfers, cancellations & rebooking, nominee fees, international custody, SRN enquiries, fail fees, late settlement or early settlement, bond custody and settlement etc.

Payments and other benefits we may receive from Financial Product Issuers (including GST)

- We may receive a payment called commission which is paid to us by the Financial Product Issuer(s) (e.g. fund manager, CMA provider, or life insurance company). This can be paid in the following manner:
 - We may receive a one off payment from the Financial Product Issuer at the time you invest or contract. These generally are calculated as a percentage of the amount you have invested, typically between 0% and 5.5%, and are deducted from the amount invested. Life insurance company first year commissions (upfront) range between 0% and 121%.
 - We may receive ongoing payments, called trailing commissions, from a Financial Product Issuer during the time you hold an investment product. On investment products these trails typically range between 0% and 1.1%.
- Renewal commissions on life insurance products range between 0% and 33%.
- Example – If you invested \$10,000 in an unlisted investment product and we charged you an initial commission of 1.65% and received an ongoing commission of 0.55% from the Financial Product issuer, then
 - Morgans would receive \$165 as an initial commission; and
 - Morgans would receive \$55 per annum as an ongoing commission for the period you continue to own the product.
- We do not charge clients any brokerage in connection with subscriptions for shares in IPOs. We may, however, receive a fee from the issuer for handling the application as disclosed in the relevant prospectus and/or allocation letter.
- In connection with on-market warrant purchases from warrant issuers, we may receive incentive fee payments from those warrant issuers as disclosed in the relevant Issuer Offering Circulars. As a guide these fees may range between 1.1% and 2.2% of the on-market transaction value.
- Morgans does not provide its own margin lending facilities. Where clients borrow through margin lending arrangements facilitated by our business connections, we may receive a trailing commission of up to 0.275%, and potentially an 'override commission' of up to 15 basis points, of the outstanding balance of such loans. As members of the financial services industry, staff members of Morgans are entitled to receive a discount on personal margin loans they may hold from such suppliers. These discounts (depending on the issuer) may vary between 50 and 100 basis points and are not related to any client business.
- On cash deposit products we will receive a commission which is distributed to the service entity and the adviser as per the following example:
 - If we receive a commission of \$100, the service entity may receive \$85 from Morgans. Out of the amount the service entity receives, an adviser remunerated by commission will receive a share which is typically around 35%, or \$35.
- We may receive fees, normally determined as a percentage of revenue, from external parties where we have referred you to them for expert advice (eg insurance or mortgage agent/ broker).
- We may receive payments or benefits from Financial Product Issuers to assist in training of advisers or marketing of their products.
- We may be paid volume bonuses and other incentives directly from Financial Product Issuers, although the amount or percentage will vary from Issuer to Issuer.
- We may earn interest, at prevailing bank deposit rates, on the aggregate balance of any funds retained within our trust account.

Financial Services Guide

Schedule of Fees (including GST)

Equities and Warrants brokerage

Depending on volume and size of orders, flat rates may be negotiated with your adviser, but as a guide minimum rates are (selling/buying per transaction).

Up to \$1,800	Minimum small transaction rate*
Over \$1,800	\$5.50 plus
	2.75% on first \$5,000*
	2.20% on next \$10,000
	1.65% on next \$35,000
	1.10% on the remainder

*Minimum small transaction brokerage rates may vary on an office by office basis. Clients should check with their adviser. As a guide the minimum rate may range from \$55 to \$110 per transaction. Brokerage is payable on or before the settlement date referred to in the confirmation.

Option brokerage and charges

When you trade an option, the value of the trade is generally lower than if you were to trade the same number of the underlying shares.

Because of this, options are generally a cost efficient way to trade your view of a stock or an index. The costs involved in trading an option are:

Brokerage

Brokerage is payable by you when Morgans buy or sell exchange traded options on your behalf on a sliding scale subject to a minimum of \$75:

Premium Value Brokerage	
\$0 – \$5,000	2.75%
\$5,001 – \$15,000	2.20%
\$15,001 +	1.75%

The brokerage charged by Morgans for LEPO's is 0.5% of the Premium Value subject to a minimum of \$75.

A different rate of brokerage may be negotiated with your adviser. Consideration will be given to a negotiated rate and could for instance, be dependent on the volume and size of option transactions that occur on your account. All brokerage charges are shown on your Trade Confirmation / Contract Note.

ASX Clear (AC) – Fees

AC charges a transaction fee of \$0.143 per share option contract, including GST. If you are exercised or are assigned a share option, AC charges an exercise fee of \$0.55 per contract and in the case of index options, AC charges \$0.50 per contract, including GST, for both the transaction fee and the exercise fee. Please note that these charges are subject to change at any time by the AC.

Fixed Interest Products

Our remuneration depends on the duration and value of the investment and is usually without charge to the client.

For fixed term and short term money market investments arranged on behalf of clients, Morgans may receive a commission payment from the deposit taker of up to 0.44% which does not reduce the interest received by the client or the principal investment. In addition, some money market providers pay Morgans an 'override commission' of up to 15 basis points which may be volume related and may be partly distributed to the management entity employing the Authorised Representative.

Financial Planning Fees

Transaction based services

Entry Fees, including commissions	0%-5.5%
Ongoing commission	0%-1.1%

Clients may choose to have all entry fees/commissions rebated and pay for services on a fee basis.

Fee Based Services

Initial consultation	Nil or as agreed at interview
Written report	Negotiated fee**
Ongoing portfolio service	Negotiated fee**
Administration services	Negotiated fee**

Private superannuation Services

Written investment strategy up to a maximum of \$550

**Quoted in Statement of Advice

Hourly rates for professional time in attendance vary and will depend on the seniority and experience of the adviser and will be quoted in the Statement of Advice or other written report.

International Investments and Custody Fees

Morgans, in conjunction with the relationships it has with international brokers, can enable its clients to access approximately 22 select exchanges including in North America, Europe, Asia and New Zealand. For clients already holding International Investments, Morgans can also offer a Custody service to assist in managing those holdings.

Outlined below is a summary of the International transaction and custody related fees associated with these services which may be charged, in conjunction with the standard brokerage charges outlined earlier in the FSG. The fees outlined below are negotiable with your adviser, taking into account factors like the value of your overall portfolio, existing international holdings and/or frequency of international transactions.

Please note: majority of the fees outlined below are subject to change due to exchange rate fluctuations and/or at the discretion of international exchanges and brokers.

Transaction related fees

Overseas Agent brokerage charge: Between 0.12% - 0.80% of the value of the transaction, based on the exchange.

Morgans International Brokerage charge: Between 0.20% - 0.40% of the value of the transaction, based on the exchange.

Foreign Exchange Costs: up to 0.5% over the spot rate, charged by Morgans on the day of the trade.

International Exchange market fees/taxes: vary from exchange but will be passed on where applicable.

Custody related Fees

Security Transfer Fees: Charged by overseas exchanges these fees can range from USD\$35 to USD\$150 per transfer, depending if International Equity Securities, Managed Funds or Interest Rate securities.

Certificate Lodgement: min. AUD\$90

Invalid Certificate Lodgement: min. AUD\$100

Request to Certificate Holding: min. AUD\$150

The above fees include the cost of certificate, any fees charged by companies and overseas registries and any associated courier costs.

Bond Custody Fees: min. fee of \$550 up to \$2,750 including GST, where Bond portfolio value around \$2million. Fees are negotiable if Bond portfolio above \$2million.

Annual Custody fee: Morgans also reserves the right to charge an annual custody fee.

Taxation: different taxation rules apply in international markets, as such, you may be required to complete additional forms to avoid additional taxes being applied (e.g. W-8BEN form for US investments to avoid withholding taxes).

W-8BEN Fee: Morgans reserves the right to charge a W-8BEN processing fee. New lodgement: AUD\$214.50, Renewal: AUD\$143.00.

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Managed Portfolio Service (Wealth+)

Wealth+ is offered under a fee-for-service arrangement. The Wealth+ fee structure is determined in consultation with your adviser to ensure that a cost effective, total solution is tailored to your specific requirements and may be dependent on many factors such as the level of service required, type and number of investments held as well as the nature and cost of other services you require.

The fee structure for the Wealth+ service will be clearly detailed in a personalised Statement of Advice (where personal advice is provided) and confirmed in your Wealth+ Client Agreement.

As a guide the minimum annual fees (incorporating the administration and adviser fees) will be:

- 1.32% on the first \$250,000 of portfolio value
- 0.66% on the next \$250,000 of portfolio value
- 0.44% on the value of the portfolio exceeding \$500,000.

These fees are inclusive of GST and are charged to your account in arrears. In most cases the fees are tax deductible. A minimum annual fee, establishment fee and/or exit fees may also apply and will be negotiated with your adviser.

Please note that brokerage and other fees may also apply.

Life Insurance Products

When we arrange Life Insurance products on your behalf we will receive commission on the placement of these products. The commission we receive on these products will vary between different insurance companies. Commission paid in the first year will vary between 0% and 121% of the first year's premium depending on the type of product recommended. Upon renewal of your insurance in subsequent years we receive commission between 0% and 33% of the yearly premium.

If you have any queries regarding remuneration, fees or charges, you may request from your adviser full details of the calculation of a particular commission, fee or other benefit for providing a specific financial service.

How are our service entities, advisers and referral sources paid?

Service Entities

For our Managed Offices, the service entities are paid monthly in accordance with the Management Agreement between Morgans and the service entity. The amount that the service entity is paid depends on the various products, volume levels, agreed commission distribution, and fixed costs associated with the business written by advisers at the relevant managed office. For example, on a brokerage charge to the client of \$100, the service entity may receive around \$85 from Morgans. Out of the amount the service entity receives, the service entity will then pay its fixed costs and remunerate its employees in accordance with their employment contracts.

If your adviser is employed by a service entity, this manner of calculation will be disclosed at the time that personal advice is given to you or as soon as practicable afterwards.

Advisers

Advisers are remunerated by their employer by way of salary and/ or a percentage share of commissions earned by Morgans from business written by the adviser (ranging from 33 1/3% to 55% depending on the products and volume levels) and/or a share of any profits of the service entity or Morgans Holdings (Australia) Ltd where the adviser is a shareholder or unit holder of such entity. Advisers may also earn bonus payments based on the individual and the company's performance.

Referral Services

If a third person such as a financial planner or an accountant has referred you to us, we may pay to that person a part of any fees or commissions we receive from you. This will be disclosed to you at the time of transacting business.

What information do you hold on my file and can I access it?

We maintain a record of your personal and other information including details of your objectives, financial situation and needs. We also maintain records of any recommendations made to you and details of specific transactions.

We are committed to implementing and promoting a Privacy Policy, which will ensure the privacy and security of your personal information. A copy of our Privacy Policy is available from your adviser and on our website.

If you wish to examine your file please ask us. We will make arrangements for you to do so.

Managed Discretionary Accounts ('MDA') Only

For select clients we may offer the ability to access our MDA service. You must first enter into an MDA Agreement ("the MDA Agreement") with us before we can provide those services to you. Before entering into the MDA Agreement it is essential that you consider the significance of the risks associated with investing through the MDA service. The MDA Agreement can be terminated by providing written instructions within the required time frame outlined in the agreement.

Risks

Generally, there are a number of inherent risks associated with any investment in the stock market. These include, but are not limited to, movements in domestic and international markets, the current and future economic environment, company liquidity, investor sentiment, interest rates and market volatility. As a consequence of these risks, a MDA client should be prepared for falls in the market and the possibility of a negative return on their investment.

Please note that Morgans does not guarantee the maintenance of capital or a specific rate of return on any MDA portfolio or any other products, including those in an MDA portfolio.

Our obligations to MDA clients

As an MDA client we will provide you with the following:

- The manner in which you may give instructions to us on how rights relating to your portfolio are to be exercised
- An investment program or SOA prepared in accordance with the Corporations Act 2001. This program will include the following:
 - Information about the nature and scope of the discretions you will authorise and require us to exercise on your behalf
 - Any significant risks associated with the MDA
 - The basis on which the MDA is considered to be suitable for your relevant circumstances
 - Any warnings that the investment program may not be suitable for you if you have provided us with limited or inaccurate information about your personal circumstances, and
 - A warning that the investment program may cease to be suitable for you if your relevant personal circumstances change
- An Annual review of the investment program/strategy for the MDA by your adviser(s), and

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- In regards to corporate actions and other rights (including voting rights), you can elect to provide verbal or written instructions to your adviser in respect of such rights. In the event your adviser doesn't receive any instructions, they can use their discretion under the MDA to take any action they deem suitable.
- If the Investment Program / strategy includes investing in or utilising non-limited recourse products, you will be advised of the: type of product, key features and risks associated, potential degree of leverage and maximum liability, Morgans policy for communicating / satisfying margin calls and for closing positions.

What should you do if you have a complaint?

If you are not happy with the service you receive from us you are entitled to complain. We have established procedures in place to ensure that all enquiries and complaints are properly dealt with.

To save yourself valuable time, gather all the facts and documents about the complaint, think about the questions you want answered and decide what action you want us to take.

The following process has been established to address your concerns as quickly as possible:

- Contact your adviser or their immediate superior and explain the problem. Most issues can be resolved quickly in this way.
- If you are unable to resolve the issue within three (3) days, please contact the Complaints Officer on (07) 3334 4888 or send your details in writing to:
GPO Box 202,
Brisbane QLD 4001.
- If we are unable to resolve the matter to your satisfaction, you can refer your case to an independent complaint handling body. Morgans is a member (Member No 10690) of
Financial Ombudsman Service (FOS) Australia
GPO Box 3,
Melbourne VIC 3001.
They can be contacted on 1800 367 287 (1800 FOS AUS)
or facsimile (03) 9613 6399.
For complaints above \$500,000 contact
ASX Complaints Officer
(PO Box H224, Australia Square, 1215) or; Australian Securities and Investment Commission (ASIC) operates an infoline on 1300 300 630.

What compensation arrangements do we have?

We are required by the Corporations Act 2001, ASX Operating Rules and Chi-X Operating Rules to have adequate compensation arrangements in place. Morgans Holdings (Australia) Ltd has a comprehensive Professional Indemnity insurance policy to cover claims in relation to the conduct of Authorised Representatives/employees at the time of the relative incident that gave rise to the claim. This professional indemnity policy includes Morgans.

Any questions?

Please contact your adviser if you have any further questions about the financial services we provide. This document should be retained for your future reference.

Anti-Money Laundering and Counter Terrorism Financing

The Australian Transaction Reports and Analysis Centre (AUSTRAC) plays an important role in protecting the reputation of Australia's financial system. AUSTRAC does this through its dual responsibility as the AML/CTF regulator and Financial Intelligence Unit (FIU). As the AML/CTF regulator, they are responsible for ensuring that Australian businesses understand and comply with their obligations under AML/CTF legislation. These obligations are designed to protect businesses, and the wider Australian community, from the harmful effects of money laundering and other serious crime. By working together to ensure compliance with AML/CTF laws, AUSTRAC and industry present a united front against criminals attempting to exploit weaknesses in our financial systems.

For more information about AUSTRAC, AML/CTF Act obligations or other related information contact the AUSTRAC Help Desk on 1300 021 037 or email help_desk@austrac.gov.au or www.austrac.gov.au.

What obligations does Morgans have under the AML/CTF legislation?

As a Reporting Entity under AML/CTF legislation, Morgans is required to:

- conduct risk assessments to understand and manage the money laundering and terrorism financing risks to which we are exposed
- implement systems and governance arrangements to manage our money laundering and terrorism financing risks (including vetting and training staff, and regularly reviewing the effectiveness of our systems and our compliance with AML/CTF obligations)
- verify the identity of our customers, monitor our customers' behaviour, and keep appropriate records
- advise AUSTRAC if we have obligations under the AML/CTF Act, either through registration or the submission of compliance report
- report to AUSTRAC on cash transactions, international movements of funds and suspicious matters.

What does Morgans require from a client?

Clients wishing to open an account with or be provided with a service via Morgans, will be required to provide relevant information and documentation, to enable Morgans to verify who they are conducting business for. This information and documentation must be provided to Morgans **prior to any transaction or service being offered**. Where we are opening an account with or facilitating an investment with an external product provider on your behalf, we are required to meet the external providers AML/CTF obligations.

Politically Exposed Person

Clients who may be classed as Politically Exposed Person (PEP)

In accordance with the AML/CTF Act, Morgans is required to identify and conduct appropriate customer due diligence on Politically Exposed Persons (PEP), as defined in the AML/CTF Act.

Politically Exposed Person means an individual (or an immediate family member and / or a close associate of) who holds a prominent public position or function in a government body or an international organisation.

On this basis, each person connected to an account for the provision of financial service from Morgans must indicate if they, an immediate family member or close associate (defined below), fit any of the categories below (not fully inclusive):

- Head of State, or head of a country, or government.
- Government minister or equivalent senior politician, senior government official.
- Judge of the High Court of Australia, the Federal Court of Australia, Supreme Court of a State / Territory, or a Judge of a court of equivalent seniority in a foreign country or international organisation.

- Governor of a central bank or any other position that has comparable influence to the Governor of the Reserve Bank of Australia.
- senior foreign representative, ambassador, or high commissioner.
- high-ranking member of the armed forces; or board chair, chief executive, or chief financial officer of, or any other position that has comparable influence in, any State enterprise or international organisation.

To further assist, we provide the following guidance.

An immediate family member is:

- a spouse; or
- a de facto partner; or
- a child and a child's spouse or de facto partner; or
- a parent.

A close associate of a person referred to above, is any individual who is known (having regard to information that is public or readily available) to have:

- joint beneficial ownership of a legal entity or legal arrangement with a person referred to in the top section; or
- sole beneficial ownership of a legal entity or legal arrangement that is known to exist for the benefit of a person described in the top section.

Domestic, Foreign or International politically exposed persons:

- **domestic politically exposed person** means a politically exposed person of an Australian government body;
- **foreign politically exposed person** means a politically exposed person of a government body of a foreign country;
- **international organisation politically exposed person** means a politically exposed person of an international organisation.

International organisation means an organisation:

- established by formal political agreement by two or more countries and that agreement has the status of an international treaty; and
- recognised in the law of the countries which are members of the organisation.

Rights of Morgans

Under the AML/CTF legislation and it is internal policies, Morgans has sole discretion to refuse any service or to open any account or to continue to provide any service, at any time without providing an explanation, where it may have concerns regarding the validity of a client's identity or potential or actual transaction. From time to time, Morgans may also request further or updated documentation from a client, to enable it to continue offering service(s) to a client.

We hope that you understand the reason for us requesting relevant information or documentation from you, as this not only protects Morgans but also is designed to protect you (the client) against anyone potentially undertaking transactions with Morgans using your identity without your knowledge.

Please speak to your adviser if you have any further questions regarding the above.

Anti-Money Laundering and Counter Terrorism Financing

AMF/CTF Identification Requirements

Client type	Whose name must the account be in/required documents	Who signs
Individual/Joint	<p>Each Individual</p> <ul style="list-style-type: none"> Driver's licence, passport, birth certificate. 	Each individual
Trust/Trustee	<p>The Trustee(s) of the Trust /Superfund</p> <ul style="list-style-type: none"> Original/Certified copy of the trust deed or extract confirming as a minimum, the name of the Trust, the Trustee(s), the Settlor and / or Appointer (if applicable), the Beneficiaries or class of beneficiaries, when the Trust was established and the State it was established in Verify identification for each Trustee and each Beneficial owner entitled to 25% or more of the Trust assets / income 	All trustees
Company	<p>Domestic and Registered Foreign</p> <ul style="list-style-type: none"> Full company name and address of registered office Verify ACN/ABN (ARBN if Registered Foreign Company) Whether the company is listed by ASIC (or relevant foreign registration) as a proprietary or public company Name of each director if the company is registered as a proprietary company Certified ID for each director and any person who holds 25% or more of the shares in the company Country in which the company was formed/incorporated/registered (Registered Foreign only) <p>Unregistered Foreign Company</p> <ul style="list-style-type: none"> Full company name as registered by the relevant foreign registration body and if so any identification number issued to the company by the relevant foreign registration body upon the company's formation/incorporation/registration Full address in company's country of formation/incorporation/registration as registered by the relevant foreign registration body The name of each company director if the company is registered as a private company by the relevant foreign registration body Certified ID for each director and any person who holds 25% or more of the shares in the company 	At least two (2) directors unless verified as sole director
Partnership	<p>Full name of Partnership</p> <ul style="list-style-type: none"> Full business name or the partnership as registered under any State or Territory business names legislation Country in which the partnership was established Certified ID for each partner Full name and residential address for each partner, except where the regulated status of the partnership is confirmed through reference to the current membership directory of the relevant professional association 	At least two (2) partners, if more than one (unless the partnership document stipulates otherwise)
Deceased Estate	<p>Executors for the Estate or the solicitors for the estate</p> <ul style="list-style-type: none"> Certified copy of Grant of Probate (including will) In the event a deceased person does not leave a will, a copy of Letters of Administration For the executor, information required to be collected from an individual under the applicable customer identification procedure Where a lawyer or solicitor is acting on behalf of the executor, a letter of authority stating that this is the relevant name and address of the legal representative 	Executors

For all other accounts, please contact your adviser to confirm what is required.

Anti-Money Laundering and Counter Terrorism Financing

AML/CTF Personal verification requirements

To enable us to verify an individual's full name, date of birth and residential address, we are required to see the original or certified copy of one or more of the following documents (where applicable) to ensure we can verify all relevant details.

Where possible, we aim to collect at least one photographic identification document.

Primary Photographic Identification Documents

- Passport*
- Proof of age identity card
- Driver's Licence

*Foreign passport must be current. Australian passport can be up to two years expired.

Primary Non-Photographic Identification Documents

- Birth Certificate
- Pension Card
- Citizenship Certificate

Secondary Identification Document

- Commonwealth Government Letter of Financial Benefit (<12 months old)
- Notice issued by the Australian Tax Office (<12 months old)
- Local government body or utilities provider letter/bill (<3 month old)

Please Note: if we are facilitating the opening of an account or investment with an external product provider, we are required to comply with their AML/CTF obligations.

Certification procedures

All certified documents must be:

- A clear photocopy showing the relevant page(s)
- The 'original' certified copy as signed by the Certifier. We may accept copies in certain circumstances.
- Signed and dated

If certifying documents yourself, you must:

- Certify the document using the Morgans certification stamp; or
- **Under the AML/CTF legislation, the following persons (independent of the application) can certify the documents required for this procedure**
 - a person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described)
 - an officer with, or authorised of, a holder of an AFSL, having 2 or more continuous years service with one or more licensees
 - Justice of the Peace
 - a notary public (for the purposes of the Statutory Declaration Regulations 1993)
 - a member of the Institute of Chartered Accountants in Australia, CPA Australia or the National Institute of Accountants with 2 or more years of continuous membership
 - a police officer
 - an officer with 2 or more continuous years of service with one or more financial institutions (for the purposes of the Statutory Declarations Regulations 1993)
 - a finance company officer with 2 or more continuous years of service with one or more finance companies (for the purposes of the Statutory Declarations Regulations 1993)
 - a registrar or deputy registrar of a court
 - a magistrate
 - a judge of a court
 - a chief executive of a Commonwealth Court
 - a permanent employee of the Australian Postal Corporation with 2 or more years of continuous service who is employed in an office supplying postal services to the public
 - an agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public
 - an Australian consular officer or an Australian diplomatic officer (within the meaning of Consular Fees Act 1955).

Privacy Policy

Version: 23.10.15

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1.0 Introduction

- 1.1 The Morgans Financial Limited Privacy Policy takes into consideration, your rights in regards to collection, use and storage of information. Use this area to familiarise yourself with our privacy policy.
- 1.2 In this document:
 - a Morgans Financial Limited will be referred to as 'Morgans' or 'we' or 'us' or 'our', and
 - b 'Personal information' means information or an opinion about you where it is possible to ascertain your identity from that information or opinion.

2.0 Our Privacy Commitment

- 2.1 On 21 December 2001, new laws came into effect to protect the privacy of your personal information. This Policy briefly outlines how we safeguard your privacy and how Morgans collects, maintains, uses and discloses personal information about you as a client of Morgans.
- 2.2 Our Privacy Policy sets out our policies for the management of personal information. You can obtain a copy of this Policy free of charge by contacting us using the contact details below or from our website at www.morgans.com.au. We will manage your personal information in accordance with the law and the Australian Privacy Principles (subject to any other overriding provisions of law) and as specified in our Privacy Policy.
- 2.3 Our Privacy Policy may change from time to time. This Policy is to be read subject to any overriding provisions of law or contract.
- 2.4 We take our privacy obligations seriously. We have appointed a Privacy Officer to manage privacy requests, corrections and complaints and our Director, Legal & Compliance, has the overall responsibility of ensuring that we comply with our privacy obligations.

3.0 Collecting Organisation and Contact Details

- 3.1 The personal information provided by you may have been collected by Morgans and/or its related entities. Any additional personal information provided by you in the future will also be collected by Morgans and/or its related entities.

- 3.2 Morgans can be contacted at:

Attention: Privacy Officer
 Level 29 123 Eagle St
 Brisbane QLD 4000 Australia
 or GPO Box 202 Brisbane QLD 4001
 Telephone: (07) 3334 4888 Facsimile: (07) 3834 0903
 Email: privacy@morgans.com.au
 Or by calling 1800 777 946 for your nearest branch.

- 3.3 We may also obtain personal and other information from some third parties such as accountants and other organisations who have referred you to us. When we obtain personal and other information from third parties whom we are referred to by you, we will assume and you will ensure that you have made that third party aware of your referral and the purposes involved in the collection, use and disclosure of the relevant, personal or other information.

4.0 What personal information Morgans collects or has collected

- 4.1 We only collect personal information that is necessary for us to perform our functions. The personal information Morgans has collected from you as a client is necessary for one or more of our services or activities provided to you. The personal information Morgans has collected or may collect in the future may include any or all of the following personal information (This is not an exhaustive list):
 - a your name, address, contact details and date of birth
 - b your email address
 - c your tax file number
 - d details of your annual income, expenditure and employment
 - e details of your assets and liabilities
 - f details of any securities or investments you have given us
 - g details of your associated bank accounts
 - h details of specific transactions
 - i details of your investment objectives and risk profile
 - j details of health information relating to your insurance requirements, and
 - k any other information we require to satisfy our obligations under relevant legislation.
- 4.2 We may also collect personal information directly from you when you deal with us over the telephone. We may for the purposes of security, quality, training or verification:
 - a listen to and/or record telephone calls to which you are a party with us
 - b collect and store details of your IP address, and
 - c collect, store and analyse how you use our website and other electronic applications and programs.
- 4.3 We will assume you consent to the collection of your personal information in the manner specified in this Privacy Policy until you tell us to the contrary by following the instructions contained under the heading 'Consent' below.

5.0 Access to Information

- 5.1 You are entitled at any time to request access to personal information held by us about you and to ask us to correct this information where you believe (and in some circumstances prove) it is incorrect or out of date. To do this please contact us using the contact details above and you will be advised of our procedures for accessing and correcting personal information. Morgans will not charge you for lodging a request to access your personal information, but may charge you for Morgans's reasonable costs of making the personal information

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available to you. In limited circumstances access may be denied where required or permitted by law. If we decide not to provide you with access to your personal information, we will give you our reasons for our decision.

6.0 Purpose and use of personal information

6.1 Morgans has collected and may use your information to do one or more of the following:

- a open an account for you
- b maintain your account
- c process transactions on your behalf
- d enable us to assess any request from you for financial advice
- e send research information to you
- f respond to any specific requests you may contact us about
- g help us to assess products that may suit your financial needs
- h notify you of any products that may be of interest to you
- i keep you informed on matters that may affect or be related to your investments
- j update your personal files
- k enable us to meet our obligations under certain laws
- l to assist you in determining your investment objectives and providing you with investment advice and information on new opportunities to assist you in achieving these objectives
- m to provide you with regular reviews and keep you informed on the performance of your investments
- n any purpose for which the information was requested and any directly related purpose, and
- o developing, improving and marketing our products and services.

7.0 Disclosing your personal information within Australia

7.1 Morgans undertakes not to trade, rent or sell your personal information. Morgans may disclose your personal information to the following organisations for the purposes specified:

- a to related companies of Morgans for the purpose of marketing new investment opportunities to you
- b to the Australian Stock Exchange, Chi-X Australia Pty Limited (Chi-X), Options clearing House, Fund Managers, Insurers, Share Registries and other product providers to establish accounts on your behalf or to process transactions
- c to our bank, when depositing funds to your account, and
- d to outsourcing organisations contracted by Morgans to provide administrative functions on our behalf, for example IT contractors providing maintenance of our data systems.

8.0 Disclosing your Personal Information Overseas

8.1 Some of our third party contractors and service providers may perform certain services overseas, or your portfolio may include interests managed by our overseas custodians and agents. As a result, your personal information may be disclosed (on a confidential basis) to a recipient in a foreign country, including the USA, Canada, Singapore and the United Kingdom; and there may be other jurisdictions that are specific to your portfolio.

8.2 Morgans may disclose your personal information to an organisation in a foreign country if:

- a you consent to the disclosure
- b the disclosure is required by law

c the transfer is necessary for the performance of a contract between you and the foreign organisation, or for the implementation of pre-contractual measures taken in response to your request, or

d the transfer is necessary for the conclusion or performance of a contract, concluded in your interest, between the foreign organisation and a third party

and

- e Morgans reasonably believes that the recipient of the information is subject to a law, binding scheme or contract which effectively upholds principles for fair handling of the information that are substantially similar to the Australian Privacy Principles, or
- f Morgans has taken reasonable steps to ensure that the information which it has transferred will not be held, used or disclosed by the recipient of the information inconsistently with the Australian Privacy Principles, and
- g In addition Morgans may disclose personal information it holds about you in the following circumstances:
 - i you consent to the disclosure, and
 - ii if the disclosure is required by law.

9.0 Legal requirements to collect certain personal information

9.1 Prior to providing products or services to you Morgans is obliged by law to collect, and verify, certain personal information from you. The laws governing these requirements include:

- a The Financial Transactions Reports Act (1988) (Cth)
- b The Anti-Money Laundering and Counter Terrorism Financing Act (2006)(Cth)
- c Australian taxation laws
- d The Corporations law
- e Financial services laws.

10.0 Consequence of not providing personal information

10.1 You may choose not to give Morgans your personal information. Depending on the type of product or service you request, one or all of the consequences set out below may apply if you do not give some or all of your personal information to us:

- a Morgans will not be able to provide you with the requested account or facility
- b Morgans will not be able to provide you with the requested investment product
- c if you do not provide your tax file number, tax at the highest rate may be deducted from any dividends or interest paid to you on investments managed by Morgans, and
- d Morgans will not be able to deposit funds to your bank account.

11.0 Where we collect the information from

11.1 In most instances personal information about you will be collected directly from you in either an application form or documents completed by you, correspondence from you to us, during an interview or from telephone contact.

11.2 We may also obtain personal and other information from some third parties such as accountants and any other organisation that has referred you to us. When we obtain personal and other information from third parties whom we are referred to by you, we will assume and you will ensure that you have made that third party aware of your referral and the purposes involved in the collection, use and disclosure of the relevant personal or other information.

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11.3 Personal information about you may also be collected from our website but only if you voluntarily provide us with your details (e.g. If you email your contact details to us or if you use a logon and password to access a particular service).

11.4 When you visit our web site our web server collects the following types of generic non-personal information for statistical purposes:

- a your internet service providers address
- b the number of users who visit the web site
- c the date and time of each visit
- d the pages accessed and the documents downloaded
- e the type of browser used
- f the site that referred you to us, and
- g the site that you went to after you finished visiting us.

11.5 No attempt is made to identify individual users from this information.

11.6 The Morgans website contains links to the web sites of third parties. If you access those third party web sites they may collect information about you. Morgans does not collect information about you from the third parties. You will need to contact them to ascertain their privacy statements.

12.0 Cookies

12.1 A cookie is a small text file placed on your computer hard drive by a web page server. Our web server may access cookies later. Cookies store information about your use of our web site.

12.2 Morgans use cookies to:

- a determine whether you have previously used the Morgans web site
- b identify the pages you have accessed, and
- c facilitate administration of the site and for security purposes.

12.3 Cookies can either be 'persistent' or 'session' based. Persistent cookies are stored on your computer, contain an expiration date, and are mainly for the user's convenience. Session cookies are short lived and are held on your browser's memory only for the duration of your session, they are used only during a browsing session, and expire when you quit your browser.

12.4 We may use both session and persistent cookies. This information may be used to personalise your current visit to our website. Upon closing your browser, the session cookie is destroyed.

12.5 Most Internet browsers can be set to accept or reject cookies. If you do not want to accept cookies, you can adjust your Internet browser to object cookies to or notify you when they are being used. However, rejecting cookies may limit the functionality of our website.

13.0 You may 'opt-out' of receiving direct marketing material

13.1 From the information we obtain from you we use some of it to keep you informed of other products, services or opportunities that may be of interest to you or help you achieve your investment objectives.

13.2 If you do not want your personal information to be used for these purposes, please contact us using the contact details above.

13.3 Please note that you can withdraw your consent, without any charge, by contacting us at any time.

13.4 We will not disclose information about you to third parties for direct marketing purposes.

14.0 Email address

14.1 Unless otherwise specified in this Privacy Policy, if you provide us with your email address during a visit to our website, it will only be used for the purpose for which you provided it to us. It will not be added to a mailing list without your consent unless the mailing list is directly

related to the purpose for which you provided your email address to us. We may use your email address, for example, to provide you with information about a particular service or product or to respond to a message you have sent us.

14.2 If you subscribe to one of our services and provide your email address to us so we may communicate with you through email, we may also use your email address to advise you of upgrades and changes to those services.

15.0 Security and retention policies

15.1 Morgans is committed to ensuring the security of personal information that we hold about you. We take reasonable steps to ensure the personal information we hold about you is stored securely, whether in a physical or electronic form. Some of the ways we do this are:

- a confidentiality requirements of our employees, contractors, agents and authorised representatives
- b document storage security policies
- c security measures for access to our systems
- d only giving access to personal information to a person who is verified to be able to receive that information, and
- e electronic security systems such as firewalls and data encryption on our websites.

15.2 If you use the Internet to communicate with us you should be aware that there are inherent risks in transmitting personal information over the Internet. Morgans does not have control over the transfer of personal information over the Internet and we cannot guarantee its security.

15.3 Any personal information we no longer require may be destroyed. An exception to this may be where records are required to be retained by law.

16.0 Complaints

16.1 If you have a complaint about our treatment of your privacy, please contact our Privacy Officer using the contact details above. Our Privacy Officer will investigate your complaint and endeavour to resolve any issue to your satisfaction.

17.0 Consent

17.1 If you do not consent to the use or disclosure of your personal information in the manner provided above or in our Privacy Policy as amended from time to time, contact our Privacy Officer using the details provided above. Please note that you can withdraw your consent, without any charge, by contacting us at any time.

Morgans Financial Limited

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Personal Information held by Morgans Financial Limited may have been used to enable you to receive this communication. If you do not wish your personal information to be used for this purpose in the future please contact us, either at your local Branch or to GPO Box 202 Brisbane Qld 4001. Our privacy policy is available online at www.morgans.com.au